

# **CITY OF EMPORIA**

522 Mechanic  
Emporia, Kansas 66801

Comprehensive Annual Financial Report  
For the fiscal year ended December 31, 2006

**Prepared by the Finance Department  
of the City of Emporia, Kansas**

CITY OF EMPORIA, KANSAS

Comprehensive Annual Financial Report  
For the fiscal year ended December 31, 2006

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## INTRODUCTORY SECTION

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Honorable Mayor and  
City Commissioners  
City of Emporia  
Emporia, Kansas

Honorable Mayor and City Commissioners:

The Comprehensive Annual Financial Report of the City of Emporia, Kansas for the year ended December 31, 2006 is submitted herewith.

This report was prepared by the City's Finance Department. The report is published to provide to the Commission, to representatives of financial institutions, and to our citizens and other interested persons detailed information concerning the financial condition of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

#### **GENERAL INFORMATION - CITY OF EMPORIA**

The City of Emporia lies 110 miles southwest of Kansas City and 85 miles northeast of Wichita on the eastern edge of the Flint Hills area of Kansas. Emporia has a population of 26,760 based on the 2000 census. There are 11.75 square miles of land in the City's corporate boundary, while the "planning and protected" area covers approximately 63 square miles.

The City of Emporia was incorporated in 1857. The City has a Commission - City Manager form of government. The commission is comprised of five members elected at large for terms of two and four years, with three Commissioners being elected each odd-numbered year. The Mayor is elected by the Commission.

The City Manager is appointed by the Governing Body and acts as its primary agent in accordance with state statute. Other City officers and employees are appointed by the City Manager. The Governing Body is responsible for policy determination and the City Manager is responsible for the administration of the municipal government.

#### **LOCAL ECONOMY**

Emporia is very fortunate to have a very diversified economy. This diversity provides a cushion when a particular market area suffers from an economic downturn. Our major source of employment is in the field of food processing. This is an important link to our state's agricultural base, yet it is insulated from the periodic downturns which plague the farm sector. Strong employment in this sector is being maintained at the Menu Foods plant for the production of pet food and through Tyson which presents our largest employer in the community with around 2700 workers. Dolly Madison Bakery is part of Interstate bakeries which is working its way through bankruptcy reorganization. Our local plant has experienced growth during this reorganization as Interstate Bakeries closed other production facilities around the country to streamline their operation and to reduce overhead. Because our bakery represent one of their significant profit centers, we believe their business will grow in Emporia as a result of further facility consolidation of production.

In the production of durable goods, our employment base is smaller, but has a board market spectrum from the manufacturing of leveling vials to the rebuilding of large diesel engines. Many of the employers in the sector are looking at expansion projects over the next 24 months. Major service industries include a state university, technical college, regional medical center, transportation and lodging facilities. The University continues to work hard to maintain and build its enrollment. Technical training seems to increase in importance as employers express a need for specific trained skills in their production operations. Both of these institutions are dependent on State funding and the poor fiscal condition of the State is affecting their operations. Attracting new students into these higher education and technical training programs will be competitive, but our local institutions appear to be preparing for the challenge. Transportation, particularly trucking, continues to be an important part of our economy. Our access to highway systems and our central geographical location within our state and nation continue to make this a promising area.

### **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

The adopted budgets are an integral part of the accounting system providing management control over expenditures in the general fund, special revenue funds, debt service fund and enterprise funds. Kansas statutes require that cash be on hand before expenditure can be authorized, that all expenditures be budgeted, and that the budget not exceed anticipated revenues including carry-forward balances. The adopted budget for any fund may be amended, using the same procedures as for adoption, if the increased expenditures are financed with non-tax revenues. All other budget amendments require the approval of the State Board of Tax Appeals.

Formal budgetary integration is not used for the capital projects funds because budgetary control is achieved through the resolution of authorization and funding. Encumbrance accounting is used for outstanding purchase orders, contracts and other commitments. Encumbrances outstanding at year end are reported as reservations of fund balance since they are not expenditures or liabilities.

### **THE REPORTING ENTITY AND ITS SERVICES**

This report includes all of the funds of the City. The City is financially accountable for the Emporia Public Library, and the Library is included in the City's financial statements. The City Commission appoints all members of the seven members Library Board. Because the Library is not a separate taxing entity by applicable state statutes, the City levies taxes for the Library's operations, which represent approximately 77.5 percent of total revenues. The operations of the Emporia Public Library are reported as a discretely presented component unit in the City's financial statements.

The City provides a full range of municipal services. The Public Safety program includes police and fire protection; an aquatic center, golf course, tennis courts, neighborhood parks and a community center provide a well-rounded, active recreation program; the Engineering Department provides essential street and highway construction and maintenance, surveying services, sanitation and other technical assistance to the City; the Public Utilities provide water, sewer and refuse collection services. Additional services provided include building inspection, planning and zoning, as well as general administrative services.

### **INTERNAL CONTROL**

In developing and altering the City's accounting system, consideration is given to the adequacy of the internal controls. The internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **CASH MANAGEMENT**

Cash temporarily idle during the year was invested in time deposits ranging from 30 to 150 days in maturity and in U.S. Government obligations with variable maturities and in the Kansas Municipal Investment Pool. At December 31, 2006, the City's cash resources were divided between demand deposits and investments as follows: in demand deposits and cash on hand 30 percent; and in interest bearing investments 70 percent. The amount of interest received in 2006 from idle cash was \$343,736.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized.

### **RISK MANAGEMENT**

The City performs limited risk management operations intended to maintain coverage at appropriate levels; manage claims; and monitor carrier performance. Additionally, the City periodically engages professional consultants to assist with the risk management function. The City operates its employees' health insurance and workers' compensation insurance as partially self-funded plans.

### **INDEPENDENT AUDIT**

State law requires an annual audit of the books of account, financial records and transactions of all administrative departments of the City by independent Certified Public Accountants or Licensed Municipal Public Accountants selected by the City Commission. This requirement has been complied with and the auditor's opinion has been included in this report.

### **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Emporia for its comprehensive annual financial report for the year ended December 31, 2005. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

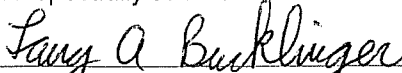
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Emporia, Kansas, has received a Certificate of Achievement for the last twenty consecutive years (fiscal years 1985 - 2005). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

### **ACKNOWLEDGMENTS**

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I should like to express my appreciation to all members of the department who assisted and contributed to its preparation. I should also like to thank the Mayor and City Commissioners for their interest and support in planning and conducting the financial operations of the City in a reasonable and progressive manner.

Respectfully submitted,



Larry Bucklinger  
Director of Administrative Services

May 30, 2007



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Emporia  
Kansas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

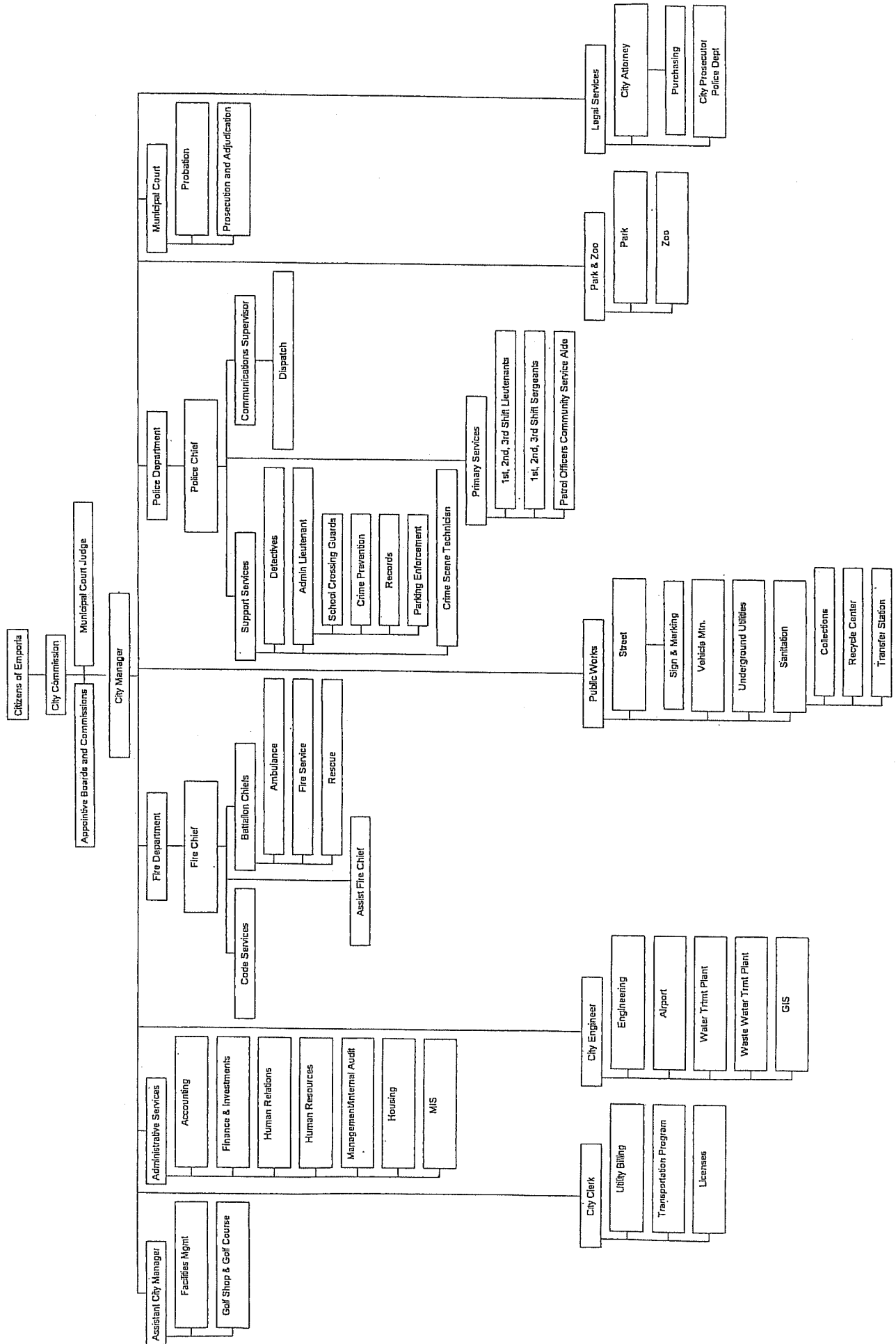


A handwritten signature in black ink, appearing to read "Thomas J. Blum".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Enen".

Executive Director



City of Emporia, Kansas

GOVERNING BODY  
2006

MAYOR	JIM KESSLER
VICE-MAYOR	JULIE JOHNSON
COMMISSIONER	TOM MYERS
COMMISSIONER	BOBBIE AGLER
COMMISSIONER	RAYMOND A. TOSO

ADMINISTRATIVE OFFICIALS

CITY MANAGER (INTERIM)	MARK McANARNEY
DIRECTOR OF ADMINISTRATIVE SERVICES	LARRY BUCKLINGER
CITY CLERK	SUSAN MENDOZA
CITY TREASURER	JANET HARROUFF
CITY ATTORNEY	BLAISE PLUMMER

DEPARTMENT HEADS

PUBLIC WORKS DIRECTOR	RON CHILDERS
CITY ENGINEER	KEITH BEATTY
FIRE CHIEF	JACK TAYLOR
POLICE CHIEF (INTERIM)	MIKE LOPEZ
DIRECTOR OF COURT SERVICES	PHIL MARTIN

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## FINANCIAL SECTION

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**LOWENTHAL SINGLETON WEBB & WILSON**  
P R O F E S S I O N A L   A S S O C I A T I O N

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CERTIFIED PUBLIC ACCOUNTANTS

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Brian W. Nyp, CPA

Members of American Institute  
and Kansas Society of  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**  
**ON THE BASIC FINANCIAL STATEMENTS**

Mayor and City Commissioners  
City of Emporia, Kansas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Emporia, Kansas, as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Emporia Public Library which statements reflect total assets of \$687,807 as of December 31, 2006 and total expenditures of \$796,645 for the year ended, which is a discretely presented component unit in the accompanying financial statements. Those financial statements were audited by other auditors whose report has been furnished to us; and our opinion insofar as it relates to the amounts for the Emporia Public Library included as a discretely presented component unit, is based solely upon the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the "Kansas Municipal Audit Guide." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Emporia, Kansas, at December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Industrial Development Sales Tax Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 3 through 8 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We did not audit the data included in the introductory and statistical sections of this report and therefore, we express no opinion thereon.

*Howenthal, Singleton, Webb & Wilson*

Professional Association

May 30, 2007

CITY OF EMPORIA, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2006  
Unaudited

Our discussion and analysis of the City of Emporia, Kansas financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2006. The Emporia Public Library issues a complete financial statement that includes a discussion and analysis. The address for retrieval of this report is in Note I. This narrative should be read in conjunction with the City's letter of transmittal, which begins on page i.

**Financial Highlights**

- The Government-wide net assets totaled \$107 million at the end of the current fiscal year.
- The Government-wide unrestricted current assets exceed the current liabilities by \$8.8 million, representing the City's ability to meet its current obligations when due.
- Total capital assets, net of accumulated depreciation at December 31, 2006 totaled \$143 million.
- During the year ended December 31, 2006, the City's total expenses exceeded total revenues (which include charges for services, local taxes and state and federal aid) by \$4.2 million.
- The City's total indebtedness increased by \$1.65, primarily due to the issuance of temporary notes.
- The City's net capital assets decreased \$5.8 million in the current fiscal year.

**Using This Financial Report**

This annual report consists of two distinct series of financial statements: government-wide and funds. In addition, the annual report includes budgetary-basis financial statement comparisons, in accordance with the State of Kansas cash basis and budget laws.

The government-wide statements are designed to provide information about the City's activities as a whole and provide a longer-term view of the City's finances. The fund financial statements tell how the City's services for both governmental and business-type activities were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in greater detail than the government-wide statements by providing information about the City's most significant funds. In addition, combining statements included in the supplemental information show detail of all other governmental funds. The City also holds fiduciary funds on behalf of various parties. These funds are reported in a separate statement.

**Reporting on the City as a Whole (Government Wide)**

**Statement of Net Assets and the Statement of Activities**

The view of the City as a whole looks at all financial transactions and asks the question, "Are we in a better financial position as a result of the current year's financial activities?" The Statement of Net Assets and the Statement of Activities provide the basis for answering this question. The statements include all assets and all liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

These two statements report the City's net assets and current year change in those net assets. The change in net assets is important because it tells the reader whether the City, as a whole, has improved or diminished its financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. Causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, state mandates, and the financial condition of the State of Kansas general fund.

CITY OF EMPORIA, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2006  
Unaudited

In the Statement of Net Assets and the Statement of Activities, the City is divided into two distinct kinds of activities:

**Governmental Activities** - Most of the City's programs and services are reported here including general government, public safety, highways and streets, culture and recreation, health and environment, building and maintenance, planning and development and airport operation.

**Business-Type Activities** - These services are provided on a charge for goods and services basis to recover all of the expenses of the goods or services provided. The City's solid waste disposal, sewer utility, and water utility are reported as business-type activities. In addition, the City's workers' compensation fund and the employee health care fund treated as internal service funds.

**Reporting the City's Most Significant Funds (Fund Financial Statements)**

Fund financial statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. The main fund financial statements focus on the City's most significant funds. Combining fund balance sheets and statements of revenues, expenditures and changes in fund balances provide detailed information about all of the City's non-major governmental funds.

**Governmental Funds** - Most of the City's activities are reported in the governmental funds, which focus on how many flows into and out of the funds and balances left over at fiscal year end available to be spent in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps the reader to decide where there are more or fewer financial resources that can be spent in the near term to finance the City's programs. Major differences between the City's governmental activities as reported in the Statement of Net Assets and the Statement of Activities and its governmental funds are reconciled in the Governmental Funds financial statements.

**Proprietary Funds** - Proprietary funds (Solid Waste Disposal, Sewer Utility and Water Utility) are enterprise funds that use the same basis of accounting as business-type activities, therefore, these statements replicate the information provided in the government-wide financial statements.

**The City as a Whole**

**Government-Wide Assets**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Emporia, Kansas, assets exceeded liabilities by \$107 million at the end of the current fiscal year.

By far the largest portion of the City of Emporia's net assets (89 percent) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City of Emporia uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Emporia's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



CITY OF EMPORIA, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2006  
Unaudited

The Statement of Net Assets provides the financial position of the City as a whole. The following is a summary of the City's Statement of Net Assets as of December 31, 2006:

City of Emporia  
Condensed Statement of Net Assets  
December 31, 2006 and 2005

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current assets	\$ 11,141,412	\$ 6,941,163	\$ 3,480,804	\$ 2,605,179	\$ 14,622,216	\$ 9,546,342
Net capital assets	<u>104,279,506</u>	<u>108,302,690</u>	<u>38,284,241</u>	<u>40,086,478</u>	<u>142,563,747</u>	<u>148,389,168</u>
Total assets	<u>\$ 115,420,918</u>	<u>\$ 115,243,853</u>	<u>\$ 41,765,045</u>	<u>\$ 42,691,657</u>	<u>\$ 157,185,963</u>	<u>\$ 157,935,510</u>
Current liabilities	\$ 3,908,113	\$ 3,828,243	\$ 1,874,687	\$ 2,130,316	\$ 5,782,800	\$ 5,958,559
Noncurrent liabilities	<u>27,037,569</u>	<u>24,160,522</u>	<u>17,370,724</u>	<u>18,547,338</u>	<u>44,408,293</u>	<u>42,707,860</u>
Total liabilities	<u>\$ 30,945,682</u>	<u>\$ 27,988,765</u>	<u>\$ 19,245,411</u>	<u>\$ 20,677,654</u>	<u>\$ 50,191,093</u>	<u>\$ 48,666,419</u>
Net Assets:						
Invested in capital assets, net of related debt	\$ 75,354,567	\$ 82,349,192	\$ 19,704,708	\$ 20,188,141	\$ 95,059,275	\$ 102,537,333
Restricted for:						
Debt Service	249,058	99,442	-	-	249,058	99,442
Unrestricted	<u>8,871,611</u>	<u>4,806,454</u>	<u>2,814,926</u>	<u>1,825,862</u>	<u>11,686,537</u>	<u>6,632,316</u>
Total net assets	<u>\$ 84,475,236</u>	<u>\$ 87,255,088</u>	<u>\$ 22,519,634</u>	<u>\$ 22,014,003</u>	<u>\$ 106,994,870</u>	<u>\$ 109,269,091</u>

An additional portion of the City of Emporia's net assets (.2 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (11.7 million) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Emporia is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was an increase of \$149,616 in restricted net assets reported in connection with the City of Emporia's governmental activities. This increase resulted from the increase in the Debt Service Fund fund balance.

The City's net assets decreased by \$4.2 million during the current fiscal year. This decrease was due to depreciation of capital assets during the year.

#### Governmental Activities

Governmental activities decreased the City of Emporia's net assets by \$4.7. Key elements of this decrease are as follows:

Property taxes increased by \$229,802 (2 percent) during the year. Most of this increase is the product of a larger tax base.

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services.

CITY OF EMPORIA, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2006  
Unaudited

The following is a condensed statement of the City's change in net assets for the year ended December 31, 2006.

City of Emporia Condensed Statement of Changes in Net Assets For the Year Ended December 31, 2006 and 2005						
	Governmental Activities		Business-Type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues:						
Program revenues:						
Charges for services	\$ 4,230,979	\$ 3,736,026	\$ 10,803,039	\$ 9,976,335	\$ 15,034,018	\$ 13,712,361
Operating grants	2,551,256	2,478,260	-	-	2,551,256	2,478,260
Capital grants	-	-	205,002	164,214	205,002	164,214
General revenues:						
Property taxes	12,390,698	11,668,957	-	-	12,390,698	11,668,957
Other	905,457	500,193	172,119	242,403	1,077,576	742,596
Total revenues	<u>20,078,390</u>	<u>18,383,436</u>	<u>11,180,160</u>	<u>10,382,952</u>	<u>31,258,550</u>	<u>28,766,388</u>
Program expenses:						
General government	4,646,991	3,661,655	-	-	4,646,991	3,661,655
Public safety	7,995,365	8,735,530	-	-	7,995,365	8,735,530
Highways and streets	8,099,622	8,174,128	-	-	8,099,622	8,174,128
Culture and recreation	2,315,915	2,779,900	-	-	2,315,915	2,779,900
Health and environment	61,205	65,539	-	-	61,205	65,539
Building and maintenance	893,474	940,398	-	-	893,474	940,398
Planning and development	1,264,408	1,385,571	-	-	1,264,408	1,385,571
Airport operations	384,315	538,347	-	-	384,315	538,347
Solid waste disposal	-	-	2,200,552	2,561,538	2,200,552	2,561,538
Sewer utility	-	-	2,929,858	3,077,282	2,929,858	3,077,282
Water utility	-	-	3,580,339	3,491,982	3,580,339	3,491,982
Interest on long term debt	1,100,521	1,067,693	-	-	1,100,521	1,067,693
Total expenses	<u>26,761,816</u>	<u>27,348,761</u>	<u>8,710,749</u>	<u>9,130,802</u>	<u>35,472,565</u>	<u>36,479,563</u>
Increase (decrease) in net assets before transfers	(6,683,426)	(8,965,325)	2,469,411	1,252,150	(4,214,015)	(7,713,175)
Transfers	1,950,840	2,566,496	(1,950,840)	(2,566,496)	-	-
Increase (decrease) in net assets	<u>\$ (4,732,586)</u>	<u>\$ (6,398,829)</u>	<u>\$ 518,571</u>	<u>\$ (1,314,346)</u>	<u>\$ (4,214,015)</u>	<u>\$ (7,713,175)</u>

#### Business-type Activities

Business-type activities increased the City of Emporia's net assets by \$.5.

#### Financial Analysis of the City's Funds

The City uses fund accounting to ensure and demonstrate compliance with state and federal finance related legal requirements. These funds are accounted for on the modified accrual basis of accounting.

CITY OF EMPORIA, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2006  
Unaudited

The governmental funds of the City provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unreserved fund balances, in particular, measures the City's net resources available for spending at the end of the City's fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$8.7 million, an increase of \$4.7 million in comparison with the prior year. Most of this total amount (\$3.5 million) constitutes capital project fund balances, which are available for spending on large capital projects. The remainder of fund balance changes were as follows:

\$577,785 Special Revenue Funds available for state defined projects and services.

\$149,616 Debt Service Fund available for debt service requirements.

\$494,105 General Fund available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$1.4 million. The fund balance of the City's general fund increased by \$494,105 during the current fiscal year.

The Industrial Development Sales Tax Fund is used to account for the receipt of retail sales tax and expenditures of funds generated by a portion of the City's retail sales tax. The ending fund balance of the Industrial Development Sales Tax Fund was approximately \$1.1 million at December 31, 2006.

The Debt Service Fund has a total fund balance of \$249,058, all of which is reserved for the payment of debt service. The net increase in fund balance during the current year in the fund was \$149,616. The City retired one bond issue. The City issued a temporary note in the amount of \$4,820,000 to fund various projects.

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water Fund at the end of the year amounted to \$1.3 million, the Sewer Fund at the end of the year amounted to \$.9 million and those for the Solid Waste Disposal Fund operation amounted to \$.5 million. The total change in net assets for Solid Waste Disposal was an increase of \$.4 million, for Sewer the change was a decrease of \$44,188 and for Water the change was an increase of \$.17 million. The factors concerning the finances of these funds have already been addressed in the discussion of the City's business type activities.

### **General Fund Budgeting Highlights**

The City's budgets are prepared in accordance with Kansas law and are based primarily on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The City's final General Fund budget was \$14,920,280, the same as the original published budget. The revenues were less than budgetary estimates by \$.2 million and the expenditures were less than budgetary estimates by \$.9 million. The City adjusted the electric and gas franchise rates from 3% to 5% in 2006.

### **Capital Assets and Debt Administration**

The City's investment in capital assets for its governmental and business-type activities totaled \$143 million (net of accumulated depreciation) as of December 31, 2006. This investment in capital assets includes land, buildings and

CITY OF EMPORIA, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2006  
Unaudited

systems, improvements, machinery and equipment, park facilities, roads, highways and bridges. The total decrease in the City's investment in capital assets for the current fiscal year was 4 percent (a 4 percent decrease for governmental activities and a 4 percent decrease for business-type activities).

Major capital asset events during the current fiscal year included the following:

Construction began on the bleachers at Soden's Grove at an estimated cost of \$450,000

Road improvements to 15<sup>th</sup> Avenue and Hatcher Road and 30<sup>th</sup> Avenue were started at an estimated cost of \$900,000

Sewer improvements and road improvements were started in Sunflower Meadows Addition totaling \$258,000

Additional information on the City's capital assets can be found in Note I of the financial statements.

At December 31, 2006, the City had total debt outstanding of \$47.5 million, backed by the full faith and credit of the City. Total long-term debt increased for the fiscal year ended December 31, 2006, in the amount of \$1.65 million. The City is not rated by any of the three rating agencies, but still receives favorable rates on the bonds offered to the public. The ratio of bonded debt to assessed valuation for the City is 22.474%. In October, 2006, the City issued \$4,820,000 of temporary notes to finance a variety of projects and improvements.

Additional information on the City's general long term debt can be found in Note IV to the financial statements.

#### **Economic Factors and Next Year's Budgets and Rates**

The unemployment rate for the City is currently 3.6 percent, which is the same as a year ago. This compares favorably to the state's average unemployment rate of 4.5 percent and the national average rate of 4.6 percent.

The occupancy rate of the City's central business district has remained at approximately 92 percent for the past three years.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2007 fiscal year.

During the current fiscal year, unreserved, undesignated fund balance in the General Fund increased by .4 million. The City has increased reserves in the 2006 fiscal year budget by not filling open positions and reducing operating expenditures.

The Water and Refuse rates were increased in the 2006 fiscal budget year. Rate increase for water will likely have a greater impact on commercial accounts which have greater water consumption. These rate increases were needed to fund future equipment and capital expenditures and to keep pace with higher operating costs associated with higher fuel prices. The Sewer rates are planned to be increased for the 2007 fiscal budget year.

#### **Contacting the City**

This financial report is designed to provide a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the City's Finance Department at 522 Mechanic, Emporia, Kansas 66801.

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**BASIC FINANCIAL STATEMENTS**

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CITY OF EMPORIA, KANSAS  
STATEMENT OF NET ASSETS  
December 31, 2006

	Governmental Activities	Business-type Activities	Primary Government Total	Component Unit Emporia Public Library
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 10,098,935	\$ 1,834,495	\$ 11,933,430	\$ 351,140
Cash with fiscal agent	36,041	-	36,041	-
Accounts receivable	1,006,436	1,014,746	2,021,182	142
Inventory	-	298,609	298,609	-
Prepaid loan costs, net	-	332,954	332,954	-
Total current assets	<u>11,141,412</u>	<u>3,480,804</u>	<u>14,622,216</u>	<u>351,282</u>
Capital assets:				
Construction in progress	150,899	14,469	165,368	-
Land	1,683,849	210,525	1,894,374	-
Capital assets	223,189,049	65,888,983	289,078,032	653,923
Less: accumulated depreciation	<u>120,744,291</u>	<u>27,829,736</u>	<u>148,574,027</u>	<u>317,398</u>
Total net capital assets	<u>104,279,506</u>	<u>38,284,241</u>	<u>142,563,747</u>	<u>336,525</u>
Total assets	<u>\$ 115,420,918</u>	<u>\$ 41,765,045</u>	<u>\$ 157,185,963</u>	<u>\$ 687,807</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	\$ 323,919	\$ 242,018	\$ 565,937	\$ 24,140
Accrued liabilities	876,153	291,102	1,167,255	-
Interest payable	327,637	57,343	384,980	-
Matured bond principal and interest	36,041	-	36,041	-
Current portion of compensated absences payable	396,160	75,415	471,575	15,274
Current portion of loans payable	24,960	-	24,960	-
Current portion of notes payable	-	687,052	687,052	-
Current portion of general obligation bonds payable	<u>1,923,243</u>	<u>521,757</u>	<u>2,445,000</u>	<u>-</u>
Total current liabilities (payable from current assets)	<u>3,908,113</u>	<u>1,874,687</u>	<u>5,782,800</u>	<u>39,414</u>
Noncurrent liabilities:				
Compensated absences	60,833	-	60,833	-
General obligation bonds and temporary notes payable	26,858,066	4,406,934	31,265,000	-
Loans payable	118,670	-	118,670	-
Notes payable	-	12,963,790	12,963,790	-
Total noncurrent liabilities	<u>27,037,569</u>	<u>17,370,724</u>	<u>44,408,293</u>	<u>-</u>
Total liabilities	<u>\$ 30,945,682</u>	<u>\$ 19,245,411</u>	<u>\$ 50,191,093</u>	<u>\$ 39,414</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	\$ 75,354,567	\$ 19,704,708	\$ 95,059,275	\$ 336,525
Restricted for:				
Debt service	249,058	-	249,058	-
Grantor restricted	-	-	-	5,625
Donor restricted	-	-	-	28,250
Unrestricted	<u>8,871,611</u>	<u>2,814,926</u>	<u>11,686,537</u>	<u>277,993</u>
Total net assets	<u>\$ 84,475,236</u>	<u>\$ 22,519,634</u>	<u>\$ 106,994,870</u>	<u>\$ 648,393</u>

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2006

					Net [Expenses] Revenue and Changes in Net Assets			Component Unit
	Program Revenues				Primary Government		Emporia Public Library	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities		
<b>Governmental activities:</b>								
General government	\$ 4,646,991	\$ 3,281,319	\$ 754,941	\$ -	\$ [610,731]	\$ -	\$ [610,731]	\$ -
Public safety	7,995,365	949,660	14,705	-	[7,031,000]	-	[7,031,000]	-
Highways and streets	8,099,622	-	1,197,605	-	[6,902,017]	-	[6,902,017]	-
Culture and recreation	2,315,915	-	53,314	-	[2,262,601]	-	[2,262,601]	-
Health and environment	61,205	-	83,525	-	22,320	-	22,320	-
Building maintenance	893,474	-	-	-	[893,474]	-	[893,474]	-
Planning and development	1,264,408	-	446,766	-	[817,642]	-	[817,642]	-
Airport operations	384,315	-	400	-	[383,915]	-	[383,915]	-
Interest on long-term debt	1,100,521	-	-	-	[1,100,521]	-	[1,100,521]	-
Total governmental activities	26,761,816	4,230,979	2,551,256	-	[19,979,581]	-	[19,979,581]	-
<b>Business-type activities:</b>								
Solid Waste Disposal	2,200,552	3,021,910	-	-	-	821,358	821,358	-
Sewer Utility	2,929,858	3,245,787	-	205,002	-	520,931	520,931	-
Water Utility	3,580,339	4,535,342	-	-	-	955,003	955,003	-
Total business-type activities	8,710,749	10,803,039	-	205,002	-	2,297,292	2,297,292	-
Total primary government	\$ 35,472,565	\$ 15,034,018	\$ 2,551,256	\$ 205,002	[19,979,581]	2,297,292	[17,682,289]	-
<b>Component unit:</b>								
Emporia Public Library								
Culture and recreation	\$ 796,645	\$ 24,910	\$ 781,731	\$ -	\$ -	\$ -	\$ -	\$ 9,996
Total component unit	\$ 796,645	\$ 24,910	\$ 781,731	\$ -	-	-	-	9,996
<b>General Revenues:</b>								
Property taxes levied for								
General purposes					10,110,907	-	10,110,907	-
Debt service					2,279,791	-	2,279,791	-
Investments earnings					433,320	64,197	497,517	12,583
Miscellaneous					472,137	107,922	580,059	2,914
Transfers, net					1,950,840	[1,950,840]	-	-
Total general revenues and transfers					15,246,995	[1,778,721]	13,468,274	15,497
Change in net assets					[4,732,586]	518,571	[4,214,015]	25,493
Net assets - beginning					87,255,088	22,014,003	109,269,091	622,900
Prior period adjustment					1,952,734	[12,940]	1,939,794	-
Net assets - beginning, restated					89,207,822	22,001,063	111,208,885	622,900
Net assets - ending					\$84,475,236	\$22,519,634	\$106,994,870	\$ 648,393

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2006

	General	Industrial Development Sales Tax	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 1,107,736	\$ 1,018,091	\$ 253,874	\$ 6,332,442	\$ 8,712,143
Cash with fiscal agent	-	-	36,041	-	36,041
Receivables					
Accounts	853,836	86,613	-	65,987	1,006,436
Taxes	3,578,645	-	1,848,270	627,435	6,054,350
Due from other funds	-	-	-	291,210	291,210
Total assets	<u>\$ 5,540,217</u>	<u>\$ 1,104,704</u>	<u>\$ 2,138,185</u>	<u>\$ 7,317,074</u>	<u>\$ 16,100,180</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 166,203	\$ 562	\$ -	\$ 142,966	\$ 309,731
Accrued liabilities	394,997	-	4,816	12,878	412,691
Matured bonds and interest payable	-	-	36,041	-	36,041
Due to other funds	-	-	-	291,210	291,210
Deferred revenue	3,578,645	-	1,848,270	627,435	6,054,350
Total liabilities	<u>4,139,845</u>	<u>562</u>	<u>1,889,127</u>	<u>1,074,489</u>	<u>7,104,023</u>
Fund balance:					
Reserved for encumbrances	53,991	-	-	-	53,991
Unreserved					
Undesignated, reported in:					
Special revenue funds	-	1,104,142	-	815,443	1,919,585
Debt service fund	-	-	249,058	-	249,058
Capital projects funds	-	-	-	5,427,142	5,427,142
General fund	1,346,381	-	-	-	1,346,381
Total fund balance	<u>1,400,372</u>	<u>1,104,142</u>	<u>249,058</u>	<u>6,242,585</u>	<u>8,996,157</u>
Total liabilities and fund balances	<u>\$ 5,540,217</u>	<u>\$ 1,104,704</u>	<u>\$ 2,138,185</u>	<u>\$ 7,317,074</u>	<u>\$ 16,100,180</u>

The notes to the financial statements are an integral part of this statement.



CITY OF EMPORIA, KANSAS

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES

December 31, 2006

Total Governmental Fund Balances	\$ 8,996,157
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Amounts reported for governmental activities in the  
statement of net assets are different because

Internal service funds are used by management to charge the costs of  
certain activities, such as insurance, to individual funds. The assets of  
liabilities of certain internal service funds are included in governmental  
activities in the statement of net assets.

909,142

Capital assets used in governmental activities are not financial  
resources and therefore are not reported in the funds

The cost of capital assets is  
Accumulated depreciation is

225,023,797  
120,744,291

104,279,506

Long-term liabilities, including bonds payable, are not due and payable in  
the current period and therefore are not reported as liabilities in the funds.  
Long term liabilities at year end consist of:

General obligation bonds payable  
Loans payable  
Interest payable  
Compensated absences payable

28,781,309  
143,630  
327,637  
456,993

[29,709,569]

Net Assets of Governmental Activities

\$ 84,475,236

## CITY OF EMPORIA, KANSAS

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2006

	<u>General</u>	<u>Industrial Development Sales Tax</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>					
Taxes	\$ 9,422,151	\$ -	\$ 2,213,902	\$ 688,756	\$ 12,324,809
Charges for services	1,744,253	-	-	-	1,744,253
Special assessments	-	-	65,889	-	65,889
Intergovernmental	226,126	44,534	-	2,171,584	2,442,244
Licenses and permits	287,456	-	-	-	287,456
Fines and fees	663,204	-	-	-	663,204
Use of money and property	153,127	33,365	43,256	129,490	359,238
Contributions	-	-	-	825	825
Miscellaneous	125,697	2,175	-	344,265	472,137
Total revenues	<u>12,622,014</u>	<u>80,074</u>	<u>2,323,047</u>	<u>3,334,920</u>	<u>18,360,055</u>
<b>EXPENDITURES:</b>					
Current					
General government	1,207,549	-	-	599,535	1,807,084
Public safety	7,496,109	-	-	27,837	7,523,946
Highways and streets	806,076	-	-	551,268	1,357,344
Culture and recreation	1,384,858	-	-	669,450	2,054,308
Health and environment	-	-	-	61,205	61,205
Building maintenance	827,882	-	-	-	827,882
Planning and development	307,228	614,017	-	243,152	1,164,397
Airport operations	384,316	-	-	-	384,316
Appropriation	85,528	-	-	-	85,528
Capital outlay	-	-	-	2,250,940	2,250,940
Debt service					
Principal	-	24,468	1,824,091	-	1,848,559
Interest and other charges	-	3,240	1,060,994	14,464	1,078,698
Total expenditures	<u>12,499,546</u>	<u>641,725</u>	<u>2,885,085</u>	<u>4,417,851</u>	<u>20,444,207</u>
Excess [deficiency] of revenues over [under] expenditures	<u>122,468</u>	<u>[561,651]</u>	<u>[562,038]</u>	<u>[1,082,931]</u>	<u>[2,084,152]</u>
<b>OTHER FINANCING SOURCES [USES]</b>					
Transfers in	1,833,865	643,064	711,654	671,968	3,860,551
Transfers out	[1,462,228]	-	-	[447,483]	[1,909,711]
Sale of bonds	-	-	-	4,820,000	4,820,000
Total other financing sources [uses]	<u>371,637</u>	<u>643,064</u>	<u>711,654</u>	<u>5,044,485</u>	<u>6,770,840</u>
Net change in fund balances	<u>494,105</u>	<u>81,413</u>	<u>149,616</u>	<u>3,961,554</u>	<u>4,686,688</u>
Fund balance - Beginning of year	906,267	1,022,729	99,442	2,256,931	4,285,369
Prior period adjustment	-	-	-	24,100	24,100
Fund balance - Beginning of year, restated	<u>906,267</u>	<u>1,022,729</u>	<u>99,442</u>	<u>2,281,031</u>	<u>4,309,469</u>
Fund balance - End of year	<u>\$ 1,400,372</u>	<u>\$ 1,104,142</u>	<u>\$ 249,058</u>	<u>\$ 6,242,585</u>	<u>\$ 8,996,157</u>

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2006

Total Net Change In Fund Balances - Governmental Funds \$ 4,686,688

Amounts reported for governmental activities in the  
statement of activities are different because

Capital outlays to purchase or build assets are reported in governmental funds  
as expenditures. However, for governmental activities those costs are shown  
in the statement of net assets and allocated over their estimated useful lives  
as annual depreciation expenses in the statement of activities. This is the  
amount by which capital outlays exceeds depreciation in the period.

Capital outlays	1,858,551	
Transfer of capital assets	[16,663]	
Depreciation expense	<u>[7,793,707]</u>	[5,951,819]

Internal service funds are used by management to charge the costs of certain  
activities, such as insurance, to individual funds. The revenues and expenses  
of certain internal service funds are included in governmental activities in the  
statement of activities.

[527,138]

Interest on long-term debt in the statement of activities differs from the amount  
reported in the governmental funds because interest is recorded as an  
expenditure in the funds when it is due, and thus requires the use of current  
financial resources. In the statement of activities, however, interest expense  
is recognized as the interest accrues, regardless of when it is due. This is  
the amount by which interest increased.

[21,823]

Some expenses reported in the statement of activities, such as compensated  
absences, do not require the use of current financial resources and therefore  
are not reported as expenditures in governmental funds.

52,947

Proceeds of bonds is a revenue in the governmental funds, but  
it increases long-term liabilities in the statement of net assets and does not  
affect the statement of activities.

[4,820,000]

Repayment of lease principal is an expenditure in the governmental funds, but  
it reduces long-term liabilities in the statement of net assets and does not  
affect the statement of activities.

24,468

Repayment of bond principal is an expenditure in the governmental funds, but  
it reduces long-term liabilities in the statement of net assets and does not  
affect the statement of activities.

1,824,091

Changes In Net Assets of Governmental Activities

\$ [4,732,586]

## CITY OF EMPORIA, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET

## GENERAL FUND

For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Taxes	\$ 9,422,151	\$ -	\$ 9,422,151	\$ 9,189,829	\$ 9,189,829	\$ 232,322
Intergovernmental	226,126	-	226,126	172,150	172,150	53,976
Licenses and permits	287,456	-	287,456	156,429	156,429	131,027
Charges for services	1,744,253	-	1,744,253	2,240,250	2,240,250	[495,997]
Fines and fees	663,204	-	663,204	811,150	811,150	[147,946]
Use of money and property	153,127	-	153,127	106,057	106,057	47,070
Reimbursements	-	-	-	96,820	96,820	[96,820]
Miscellaneous	125,697	-	125,697	1,927,250	1,927,250	[1,801,553]
Total revenues	12,622,014	-	12,622,014	14,699,935	14,699,935	[2,077,921]
EXPENDITURES:						
Current						
General government	1,207,549	-	1,207,549	1,206,629	1,206,629	[920]
Public safety						
Law enforcement	3,826,250	9,475	3,835,725	4,177,173	4,177,173	341,448
Animal control	117,921	-	117,921	140,975	140,975	23,054
Court services	487,210	-	487,210	525,299	525,299	38,089
Ambulance	1,555,218	-	1,555,218	1,361,305	1,361,305	[193,913]
Fire	1,509,510	-	1,509,510	2,203,524	2,203,524	694,014
Total public safety	7,496,109	9,475	7,505,584	8,408,276	8,408,276	902,692
Highways and streets						
Maintenance						
Maintenance	589,333	44,516	633,849	730,240	730,240	96,391
Snow removal	21,211	-	21,211	25,000	25,000	3,789
Street lighting	195,532	-	195,532	178,000	178,000	[17,532]
Total highways and streets	806,076	44,516	850,592	933,240	933,240	82,648

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
GENERAL FUND, CONTINUED  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
EXPENDITURES - continued:						
Current - continued						
Culture and recreation						
Park	\$ 508,048	\$ -	\$ 508,048	\$ 706,058	\$ 706,058	\$ 198,010
Lake Kahola	6,351	-	6,351	200	200	[6,151]
Swimming Pool/Peter Pan Park	93,461	-	93,461	87,035	87,035	[6,426]
Golf course	325,696	-	325,696	376,851	376,851	51,155
Golf shop	185,573	-	185,573	202,611	202,611	17,038
Zoo	265,729	-	265,729	270,034	270,034	4,305
Total culture and recreation	<u>1,384,858</u>	<u>-</u>	<u>1,384,858</u>	<u>1,642,789</u>	<u>1,642,789</u>	<u>257,931</u>
Building maintenance						
Engineering	275,448	-	275,448	294,579	294,579	19,131
Grounds maintenance	44,761	-	44,761	72,127	72,127	27,366
Civic building	463,484	-	463,484	494,076	494,076	30,592
Library maintenance	44,189	-	44,189	58,756	58,756	14,567
Total building maintenance	<u>827,882</u>	<u>-</u>	<u>827,882</u>	<u>919,538</u>	<u>919,538</u>	<u>91,656</u>
Planning and development	<u>307,228</u>	<u>-</u>	<u>307,228</u>	<u>361,132</u>	<u>361,132</u>	<u>53,904</u>
Airport operations	<u>384,316</u>	<u>[1]</u>	<u>384,315</u>	<u>328,926</u>	<u>328,926</u>	<u>[55,389]</u>
Appropriations	<u>85,528</u>	<u>-</u>	<u>85,528</u>	<u>93,250</u>	<u>93,250</u>	<u>7,722</u>
Total expenditures	<u>12,499,546</u>	<u>53,990</u>	<u>12,553,536</u>	<u>13,893,780</u>	<u>13,893,780</u>	<u>1,340,244</u>
Excess [deficiency] of revenues over [under] expenditures	<u>122,468</u>	<u>[53,990]</u>	<u>68,478</u>	<u>806,155</u>	<u>806,155</u>	<u>[737,677]</u>
OTHER FINANCING SOURCES [USES]:						
Transfers in	1,833,865	-	1,833,865	-	-	1,833,865
Transfers out	<u>[1,462,228]</u>	<u>[1]</u>	<u>[1,462,229]</u>	<u>[1,026,500]</u>	<u>[1,026,500]</u>	<u>[435,729]</u>
Total other financing sources [uses]	<u>371,637</u>	<u>[1]</u>	<u>371,636</u>	<u>[1,026,500]</u>	<u>[1,026,500]</u>	<u>1,398,136</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>494,105</u>	<u>[53,991]</u>	<u>440,114</u>	<u>\$ [220,345]</u>	<u>\$ [220,345]</u>	<u>\$ 660,459</u>
FUND BALANCE - Beginning of year	<u>906,267</u>	<u>-</u>	<u>906,267</u>			
FUND BALANCE - End of year	<u>\$ 1,400,372</u>	<u>\$ [53,991]</u>	<u>\$ 1,346,381</u>			

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
INDUSTRIAL DEVELOPMENT SALES TAX FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 44,534	\$ -	\$ 44,534	\$ 135,000	\$ 135,000	\$ [90,466]
Use of money and property	33,365	-	33,365	7,000	7,000	26,365
Miscellaneous	<u>2,175</u>	<u>-</u>	<u>2,175</u>	<u>-</u>	<u>-</u>	<u>2,175</u>
Total revenues	<u>80,074</u>	<u>-</u>	<u>80,074</u>	<u>142,000</u>	<u>142,000</u>	<u>[61,926]</u>
EXPENDITURES:						
Current						
Planning and development						
Contractual services	614,017	-	614,017	1,640,940	1,640,940	1,026,923
Debt service						
Principal	24,468	-	24,468	33,907	33,907	9,439
Interest and other charges	<u>3,240</u>	<u>-</u>	<u>3,240</u>	<u>4,889</u>	<u>4,889</u>	<u>1,649</u>
Total expenditures	<u>641,725</u>	<u>-</u>	<u>641,725</u>	<u>1,679,736</u>	<u>1,679,736</u>	<u>1,038,011</u>
Excess [deficiency] of revenues over [under] expenditures	[561,651]	-	[561,651]	[1,537,736]	[1,537,736]	976,085
OTHER FINANCING SOURCES [USES]:						
Transfers in	<u>643,064</u>	<u>-</u>	<u>643,064</u>	<u>683,250</u>	<u>683,250</u>	<u>[40,186]</u>
Excess of revenues over [under] expenditures and other financing [uses]	81,413	-	81,413	<u>\$ [854,486]</u>	<u>\$ [854,486]</u>	<u>\$ 935,899</u>
FUND BALANCE - Beginning of year	<u>1,022,729</u>	<u>-</u>	<u>1,022,729</u>			
FUND BALANCE - End of year	<u>\$1,104,142</u>	<u>\$ -</u>	<u>\$1,104,142</u>			

The notes to the financial statements are an integral part of this statement.

## CITY OF EMPORIA, KANSAS

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2006

	Business-Type Activities: Enterprise Funds				Internal Service Funds
	Solid Waste Disposal	Sewer Utility	Water Utility	Total Enterprise Funds	
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 542,429	\$ 774,279	\$ 517,787	\$ 1,834,495	\$ 191,149
Investments	-	-	-	-	1,195,643
Receivables (net of allowance for uncollectibles)	317,380	276,934	420,432	1,014,746	-
Inventory	-	-	298,609	298,609	-
Deferred charges	-	-	332,954	332,954	-
Total current assets	<u>859,809</u>	<u>1,051,213</u>	<u>1,569,782</u>	<u>3,480,804</u>	<u>1,386,792</u>
Capital assets:					
Construction in progress	-	-	14,469	14,469	-
Land	102,625	7,702	100,198	210,525	-
Capital assets	3,679,939	34,573,549	27,635,495	65,888,983	-
Less: accumulated depreciation	<u>1,743,375</u>	<u>14,029,505</u>	<u>12,056,856</u>	<u>27,829,736</u>	-
Total capital assets	<u>2,039,189</u>	<u>20,551,746</u>	<u>15,693,306</u>	<u>38,284,241</u>	-
Total assets	<u>\$2,898,998</u>	<u>\$21,602,959</u>	<u>\$17,263,088</u>	<u>\$41,765,045</u>	<u>\$1,386,792</u>
Liabilities:					
Current liabilities (payable from current assets):					
Accounts payable	\$ 96,047	\$ 59,670	\$ 86,301	\$ 242,018	\$ 14,188
Accrued liabilities	238,913	22,776	29,413	291,102	-
Interest payable	-	345	56,998	57,343	-
Unpaid claims	-	-	-	-	463,462
Current portion of compensated absences payable	14,620	11,319	49,476	75,415	-
Current portion of notes payable	-	493,720	193,332	687,052	-
Current portion of general obligation bonds payable	<u>21,757</u>	-	<u>500,000</u>	<u>521,757</u>	-
Total current liabilities (payable from current assets)	<u>371,337</u>	<u>587,830</u>	<u>915,520</u>	<u>1,874,687</u>	<u>477,650</u>
Noncurrent liabilities:					
General obligation bonds payable	91,934	-	4,315,000	4,406,934	-
Notes payable	-	9,593,565	3,370,225	12,963,790	-
Total noncurrent liabilities	<u>91,934</u>	<u>9,593,565</u>	<u>7,685,225</u>	<u>17,370,724</u>	-
Total liabilities	<u>\$ 463,271</u>	<u>\$10,181,395</u>	<u>\$ 8,600,745</u>	<u>\$19,245,411</u>	<u>\$ 477,650</u>
Net Assets					
Invested in capital assets, net of related debt	\$1,925,498	\$10,464,461	\$ 7,314,749	\$19,704,708	\$ -
Unrestricted	<u>510,229</u>	<u>957,103</u>	<u>1,347,594</u>	<u>2,814,926</u>	<u>909,142</u>
Total net assets	<u>\$2,435,727</u>	<u>\$11,421,564</u>	<u>\$ 8,662,343</u>	<u>\$22,519,634</u>	<u>\$ 909,142</u>

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2006

	Business-Type Activities: Enterprise Funds				
	Solid Waste Disposal	Sewer Utility	Water Utility	Total Enterprise Funds	Internal Service Funds
Operating revenues					
Charges for services	\$ 3,021,910	\$ 3,245,787	\$ 4,535,342	\$ 10,803,039	\$ 1,534,449
Miscellaneous	4,795	11,761	4,354	20,910	1,617
Total operating revenues	<u>3,026,705</u>	<u>3,257,548</u>	<u>4,539,696</u>	<u>10,823,949</u>	<u>1,536,066</u>
Operating expenses					
Personal services	1,059,202	628,955	648,324	2,336,481	-
Contractual services	745,967	625,570	1,320,424	2,691,961	2,137,286
Commodities	160,573	77,905	440,813	679,291	-
Capital outlay	-	9,177	-	9,177	-
Depreciation	209,573	1,229,594	778,624	2,217,791	-
Other	25,237	21,034	21,296	67,567	-
Total operating expenses	<u>2,200,552</u>	<u>2,592,235</u>	<u>3,209,481</u>	<u>8,002,268</u>	<u>2,137,286</u>
Operating income [loss]	<u>826,153</u>	<u>665,313</u>	<u>1,330,215</u>	<u>2,821,681</u>	<u>[601,220]</u>
Nonoperating revenues [expenses]					
Interest income	12,944	26,139	25,114	64,197	74,082
Contributed capital	-	205,002	-	205,002	-
Interest expense	-	[333,410]	[370,858]	[704,268]	-
Gain [loss] on disposal of assets	101,052	[4,213]	[14,040]	82,799	-
Total nonoperating revenues [expenses]	<u>113,996</u>	<u>[106,482]</u>	<u>[359,784]</u>	<u>[352,270]</u>	<u>74,082</u>
Income [loss] before operating transfers	<u>940,149</u>	<u>558,831</u>	<u>970,431</u>	<u>2,469,411</u>	<u>[527,138]</u>
Transfers from [to] other funds					
Transfer in	-	151,176	-	151,176	-
Transfers out	<u>[545,501]</u>	<u>[754,195]</u>	<u>[802,320]</u>	<u>[2,102,016]</u>	<u>-</u>
Total transfers	<u>[545,501]</u>	<u>[603,019]</u>	<u>[802,320]</u>	<u>[1,950,840]</u>	<u>-</u>
Change in net assets	<u>394,648</u>	<u>[44,188]</u>	<u>168,111</u>	<u>518,571</u>	<u>[527,138]</u>
Net assets, January 1	2,031,573	11,458,952	8,523,478	22,014,003	1,436,280
Prior period adjustment	<u>9,506</u>	<u>6,800</u>	<u>[29,246]</u>	<u>[12,940]</u>	<u>-</u>
Net assets, January 1, restated	<u>2,041,079</u>	<u>11,465,752</u>	<u>8,494,232</u>	<u>22,001,063</u>	<u>1,436,280</u>
Net assets, December 31	<u>\$ 2,435,727</u>	<u>\$ 11,421,564</u>	<u>\$ 8,662,343</u>	<u>\$ 22,519,634</u>	<u>\$ 909,142</u>

The notes to the financial statements are an integral part of this statement.



CITY OF EMPORIA, KANSAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2006

	Business-Type Activities: Enterprise Funds				Internal Service Funds
	Solid Waste Disposal	Sewer Utility	Water Utility	Total Enterprise Funds	
Cash flows from operating activities					
Cash received from customers and users	\$ 2,975,055	\$ 3,294,310	\$ 4,494,966	\$ 10,764,331	\$ 1,534,449
Cash payments to employees for services	[1,075,018]	[639,204]	[670,873]	[2,385,095]	-
Cash payments to other suppliers of goods or services	[914,637]	[746,327]	[1,824,843]	[3,485,807]	[2,179,057]
Other operating receipts	4,795	11,761	4,354	20,910	1,617
Net cash provided by [used in] operating activities	990,195	1,920,540	2,003,604	4,914,339	[642,991]
Cash flows from noncapital financing activities					
Restatement	9,506	6,800	[29,246]	[12,940]	-
Transfers [to] other funds	[545,501]	[603,019]	[802,320]	[1,950,840]	-
Net cash provided by [used in] noncapital financing activities	[535,995]	[596,219]	[831,566]	[1,963,780]	-
Cash flows from capital and related financing activities					
Purchase and construction of capital assets	[264,984]	[32,475]	-	[297,459]	-
Principal paid on bonds and notes	[24,309]	[507,199]	[787,297]	[1,318,805]	-
Interest paid	-	[333,410]	[374,733]	[708,143]	-
Proceeds from sale of salvage	169,706	-	-	169,706	-
Net cash provided by [used in] capital and related financing activities	[119,587]	[873,084]	[1,162,030]	[2,154,701]	-
Cash flows from investing activities					
Interest on investments	12,944	26,139	25,114	64,197	74,082
Proceeds from sale of investments	-	-	-	-	1,718,516
Purchase of investments	-	-	-	-	[1,195,643]
Net cash provided by [used in] investing activities	12,944	26,139	25,114	64,197	596,955
Net increase [decrease] in cash and cash equivalents	347,557	477,376	35,122	860,055	[46,036]
Cash and cash equivalents - Beginning of year	194,872	296,903	482,665	974,440	237,185
Cash and cash equivalents - End of year	\$ 542,429	\$ 774,279	\$ 517,787	\$ 1,834,495	\$ 191,149

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS  
STATEMENT OF CASH FLOWS, CONTINUED  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2006

	Business-Type Activities: Enterprise Funds				Internal Service Funds
	Solid Waste Disposal	Sewer Utility	Water Utility	Total Enterprise Funds	
Cash and cash equivalents	\$ 542,429	\$ 774,279	\$ 517,787	\$ 1,834,495	\$ 191,149
Total cash and cash equivalents	\$ 542,429	\$ 774,279	\$ 517,787	\$ 1,834,495	\$ 191,149
Reconciliation of operating [loss] income to net cash provided by [used in] operating activities					
Operating income [loss]	\$ 826,153	\$ 665,313	\$ 1,330,215	\$ 2,821,681	\$ [601,220]
Adjustments to reconcile operating income [loss] to net cash provided by [used in] operating activities					
Depreciation	209,573	1,229,594	778,624	2,217,791	-
Change in assets and liabilities					
[Increase] decrease in receivables	[46,855]	48,523	[40,376]	[38,708]	-
[Increase] decrease in inventory	-	-	[15,083]	[15,083]	-
Increase [decrease] in accounts payable	17,140	[12,641]	[65,448]	[60,949]	[41,771]
Increase [decrease] in accrued liabilities	[18,362]	[8,512]	9,148	[17,726]	-
Increase [decrease] in accrued compensation	2,546	[1,737]	6,524	7,333	-
Net cash provided by [used in] operating activities	\$ 990,195	\$ 1,920,540	\$ 2,003,604	\$ 4,914,339	\$ [642,991]

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
December 31, 2006

	Private Purpose <u>Trust</u>	Agency <u>Funds</u>
Assets		
Cash and cash equivalents	\$ 472,649	\$ 14,816
Accrued interest receivable	1,842	-
Notes receivable	<u>504,945</u>	<u>-</u>
Total Assets	<u>\$ 979,436</u>	<u>\$ 14,816</u>
Liabilities		
Accounts payable	\$ -	\$ 14,816
Total Liabilities	<u>-</u>	<u>14,816</u>
Net assets		
Reserved for economic development	976,695	-
Unreserved		
Undesignated	<u>2,741</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 979,436</u>	<u>\$ 14,816</u>

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
For the Year Ended December 31, 2006

	Private Purpose <u>Trust</u>
Additions:	
Interest Income	\$ 43,123
Contributions and grants	<u>70</u>
Total Additions	<u>43,193</u>
Deductions	<u>600</u>
Change in net assets	42,593
Net assets, January 1	<u>936,843</u>
Net assets, December 31	<u>\$ 979,436</u>

The notes to the financial statements are an integral part of this statement.

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Emporia is a municipal corporation governed by five elected commissioners. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize it is legally separated from the government. The discretely presented component unit has a December 31 year end.

**Discretely Presented Component Unit**

**Emporia Public Library** - The Emporia Public Library (Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Because the Library is not a separate taxing entity, the City levies tax for the Library's operations. The City appropriated \$669,450 to the Library in 2006. Complete financial statements may be obtained at the Emporia Public Library, 110 E. 6th Avenue, Emporia, Kansas.

**Jointly Governed Organization**

**Regional Development Association of East Central Kansas, Inc.** - The Regional Development Association of East Central Kansas, Inc., (RDA) is a not-for-profit corporation whose purpose is to benefit the public interest through the activity of business and economic development in the City and Lyon County, Kansas. The RDA's governing board consists of seven voting members, two of whom are appointed by the City. The City has entered into a contract under which the City appropriates funds to the RDA which are used for business and economic development. The City has no ongoing financial interest or responsibilities with respect to the RDA.

**Emporia Recreation Commission** - The Emporia Recreation Commission was established as a joint venture between the City of Emporia, Kansas and Unified School District Number 253, Emporia, Kansas. The governing Board consists of two members from the Emporia City Commission, two members from the Unified School District Number 253 Board of Directors, two members appointed by the Emporia City Commission, two members appointed by Unified School District Number 253 Board of Directors and one at large Board member appointed by the other eight appointed members of the Recreation Commission Board.

**B. Government-wide and fund financial statements**

The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the City's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items which are not classified as program revenues are presented as general revenues of the City.

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**B. Government-wide and fund financial statements - Continued**

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

**C. Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: FASB Statements and Interpretations, APB Opinions, and ARBs.

Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The internal service funds account for contributions made by the City to be used for paying claims for job related injuries as well as contributions made by the City, City employees and former City employees to be used for payment of medical claims of covered employee health care participants and additional health insurance premiums.

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation - Continued**

The private purpose trust funds are used to account for resources legally held in trust. Agency funds are custodial in nature and do not measure results of operations or have a measurement focus. Agency funds do, however, use the accrual basis of accounting. The following activities are accounted for in each fiduciary fund:

Tree Private Purpose Trust Fund - To account for monies provided by private donors to finance planting of trees.

Fremont Park Private Purpose Trust Fund - To account for the money donated to the City for the purpose of building a display shelter for the railroad engine and caboose at Fremont Park.

Las Casitas Park Private Purpose Trust Fund - To account for monies provided by private donors to finance improvements to the Las Casitas Park.

Economic Development Private Purpose Trust Fund - To provide a financial resource which enhances the City's ability to attract new economic development projects by lending money to businesses that is repaid with interest. The fund was created with money generated by a Chamber of Commerce fund drive and money repaid to the City for state and federal grants.

Fire Insurance Proceeds Agency Fund - To account for a portion of insurance proceeds from fire and casualty losses to structures within the City. Proceeds are returned to property owners upon substantial completion of repairs or demolition of structure.

The City reports the following major governmental funds:

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

The Industrial Development Sales Tax Fund is used to account for the investment earnings from and expenditures of funds generated by a portion of the City's retail sales tax. Receipts of retail sales taxes are deposited in the General Fund, and the portion related to this activity is then transferred to this fund.

The debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for the payment.

The City reports the following major proprietary funds:

Solid Waste Disposal Fund accounts for funds derived from customer service charges for solid waste disposal. All activities necessary to provide such services are accounted for in this fund.

Sewer Utility Fund is used to account for all sewer operations including administration, maintenance, financing and related debt service and billing collection. All operations are financed by means of customer user fees which are established by the governing body.

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation - Continued**

Water Utility Fund is used to account for the provision of water service to the residents of the City and some customers outside the City. All activities necessary to provide water service are accounted for in this fund, including administration, operations, maintenance, financing and related debt service and billing collection.

**D. Assets, Liabilities and Equity**

**1. Pooled Cash and Investments**

The City maintains a cash and investment pool that is available for use by all funds managed by the City (except for investments of the employees' health insurance trust and workers' compensation fund). The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Cash balances from all funds are invested to the extent available in certificates of deposit and other authorized investments. Investments with maturity dates greater than three months are stated separately. Earnings from these investments, unless specifically designated, are allocated monthly to the investing fund based on the percentage of funds invested to total investments.

**2. Receivables and Payables**

Transactions between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables / payables" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds". Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles, if applicable.

Property taxes receivable - The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The office of the County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are levied and liens against property are placed on November 1 of the year prior to the fiscal year for which they are budgeted. Payments are due November 1, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals. Taxes remaining due and unpaid at February 15 and July 1 are subject to collection procedures prescribed in state statutes.

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City. Accruals of uncollected current year property taxes are offset by deferred revenue and are identical to the adopted budget for 2007 in the governmental fund financial statements. It is not practicable to apportion delinquent taxes held by the County Treasurer and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.



CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Assets, Liabilities and Equity - Continued**

**3. Inventories**

Inventories are valued at cost using the first-in / first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

**4. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**5. Restricted Assets**

Certain monies in the Economic Development private purpose trust fund are restricted for re-use in the City's revolving loan program.

Cash in the Debt Service fund held with the fiscal agent are restricted for payment of principal and interest on general obligation bonds.

**6. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets used in governmental fund types of the City are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type is included in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment of the primary government, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-75
Land improvements	20-75
Building improvements	20-75
Machinery and equipment	5-10
Office equipment	5-10
Infrastructure	20-75

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Assets, Liabilities and Equity - Continued**

**7. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation pay is accrued when incurred in the government-wide and proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. The General Fund has been used to liquidate the governmental funds compensated absences in prior years.

**8. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**9. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**10. Landfill Post-closure Care Liability**

State and federal laws and regulations required the City to place a final cover on its landfill site, which was closed during 1994, and to perform certain maintenance and monitoring activities at the site for thirty years after closure. The amount reported as landfill post-closure care liability at December 31, 2006 represents what it would cost to perform all post-closure care in 2006. The actual costs may be higher due to inflation, changes in technology or changes in regulations. The City intends to fund these costs internally.

**11. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Assets, Liabilities and Equity - Continued**

**12. Deferred Revenue**

The City reports deferred revenue on its governmental funds balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized on the statement of revenues, expenditures and changes in fund balances.

**13. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted from statute), debt service funds and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget.

- a) Preparation of the budget for the succeeding calendar year on or before August 1st of each year.
- b) Publication in a local newspaper of the proposed budget and the notice of public hearing on the budget on or before August 5th.
- c) Public hearing on or before August 15th of each year, but at least ten days after publication of the notice of hearing.
- d) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2006 budget was amended for the Debt Service, Water Utility, and Convention and Tourism Promotion Funds.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued**

**A. Budgetary Information - Continued**

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All encumbered appropriations (legal budget expenditures authority) lapse at year end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special revenue funds: Emergency Housing, Housing CDBG Grant, Housing Study RDA, Housing Cost Analysis Program, Emergency Shelter, Telephone Tax-911, Law Enforcement Block Grant, Home Owners Rehab, DARE Crime Prevention, Home Rehab, Lake Kahola, Wireless 911 Tax and 2003 Home Rehab. Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

## CITY OF EMPORIA, KANSAS

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2006

## II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

## A. Budgetary Information - Continued

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary

	Major Governmental Funds			Other	Total
	General	Industrial	Debt	Nonmajor	Total
	<u>Fund</u>	<u>Development</u>	<u>Service</u>	<u>Governmental</u>	<u>Governmental</u>
		<u>Sales Tax Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
GAAP FUND BALANCE					
December 31, 2006	\$ 1,400,372	\$ 1,104,142	\$ 249,058	\$ 6,242,585	\$ 8,996,157
Adjustments:					
Unreserved fund balances not subject to the Kansas Budget Law:					
Housing CDBG Grant	-	-	-	[18,124]	[18,124]
Housing Study RDA	-	-	-	[1,694]	[1,694]
Telephone Tax 911	-	-	-	[1,604]	[1,604]
Law Enforcement Block Grant	-	-	-	32,149	32,149
Home Owners Rehab	-	-	-	[20,781]	[20,781]
DARE Crime Prevention	-	-	-	[1,687]	[1,687]
Home Rehab	-	-	-	[10,265]	[10,265]
Lake Kahola	-	-	-	[296,909]	[296,909]
Wireless 911 Tax	-	-	-	[62,298]	[62,298]
2003 Home Rehab	-	-	-	[48,907]	[48,907]
Internal Improvements	-	-	-	[40,082]	[40,082]
Ball Diamonds	-	-	-	[23,540]	[23,540]
5th Avenue Relief Main	-	-	-	160,262	160,262
Park Improvement Project	-	-	-	[153,824]	[153,824]
Civic Auditorium Improvement	-	-	-	[24,997]	[24,997]
Storm Water Improvement Project	-	-	-	67,290	67,290
Prairie Pedestrian Bridge	-	-	-	[1,737,768]	[1,737,768]
Traffic Signals	-	-	-	[80,382]	[80,382]
Paving Projects	-	-	-	[3,187,738]	[3,187,738]
Construction Projects	-	-	-	[374,399]	[374,399]
Special Assessment	-	-	-	[50,618]	[50,618]
Airport Improvement	-	-	-	31,509	31,509
Recreation Center Improvement	-	-	-	[12,855]	[12,855]
Reserve for encumbrances	[53,991]	-	-	-	[53,991]
Total deductions	[53,991]	-	-	[5,857,262]	[5,911,253]
BUDGETARY FUND BALANCE					
December 31, 2006	\$ 1,346,381	\$ 1,104,142	\$ 249,058	\$ 385,323	\$ 3,084,904

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued**

**A. Budgetary Information - Continued**

	Major Business-Type Funds			Total Business-Type Funds
	Solid Waste Disposal Fund	Sewer Utility Fund	Water Utility Fund	
CHANGE IN NET ASSETS December 31, 2006	\$ 394,648	\$ [44,188]	\$ 168,111	\$ 518,571
Adjustments:				
Capital assets	[264,984]	[32,475]	-	[297,459]
Loss on sale of assets	-	-	14,040	14,040
Contributed capital	-	[205,002]	-	[205,002]
Depreciation	209,573	1,229,594	778,624	2,217,791
Total deductions	[55,411]	992,117	792,664	1,729,370
BUDGETARY CHANGE IN NET ASSETS December 31, 2006	\$ 339,237	\$ 947,929	\$ 960,775	\$ 2,247,941

**B. Compliance with Kansas Statutes**

The following funds had deficit fund equity at December 31, 2006: Storm Water Improvement Project - \$67,290, Law Enforcement Block Grant - \$32,149, Airport Improvement - \$31,509 and 5<sup>th</sup> Avenue Relief Main - \$160,262

The deficits in the special revenue funds will be recovered from grant reimbursements for qualifying expenditures. The other deficits are from capital projects currently financed from other projects pending receipt of bond proceeds and/or grant moneys.

**III. RESTATEMENT OF EQUITY**

After the beginning of the year, various accrued liabilities were found to be incorrectly recorded in the prior year financial statements in the Solid Waste, Sewer Utility, Water Utility, Special Street and Park Project Funds. Also, the Governmental Activities capital assets have been adjusted to properly record construction in progress items expensed in the previous year. The effects of which are as follows:

	Solid Waste Fund	Sewer Utility Fund	Water Utility Fund	Special Street Fund	Park Project Fund	Governmental Activities
Fund Balance/Net Assets As Originally Reported, December 31, 2005	\$ 2,031,573	\$ 11,458,952	\$ 8,523,478	\$ 9,912	\$ 104,817	\$ 87,255,088
Prior period adjustment	9,506	6,800	[29,246]	11,900	12,200	1,952,734
Fund Balance As Adjusted, December 31, 2005	\$ 2,041,079	\$ 11,465,752	\$ 8,494,232	\$ 21,812	\$ 117,017	\$ 89,207,822

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2006

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash is considered to be active funds by management and is invested according to KSA 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county in which the City is located and the banks provide an acceptable rate for active funds.

Various City investments are considered to be idle funds by management and are invested according to KSA 12-1675. The statute requires that at the City invest its idle funds in only temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury bills or notes, the Municipal Investment Pool (KMIP). Maturities of the above investments may not exceed two years by statute.

Some of the City's investments are of bond proceeds invested pursuant to KSA 10-131. This statute allows additional investment authority beyond that of KSA 12-1675. Investments of bond proceeds may follow KSA 12-1675 or include other investments such as the KMIP, direct obligations of the US government or any agency thereof, investment agreements with a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's investors service or Standard and Poor's corporation, and various other investments as specified in KSA 10-131.

At December 31, 2006, the City has the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Investments</u>	<u>Rating</u>	<u>(Years)</u>
Kansas Municipal Investment Pool	\$ 1,673,775	58.35%	S&P AAAs/S1+	0.003
U.S. Government Agencies - FNMA Discount Notes	1,194,643	41.65%	S&P A-1+	0.116
Total	<u>\$ 2,868,418</u>			

Portfolio weighted average maturity 0.050

At December 31, 2006, the City had invested \$1,673,775 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the US government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the municipal investment pool is substantially the same as the value of the pool shares.

The City does not have any formal investment policies that would further limit concentration of credit risk, interest rate risk or custodial credit risks beyond state statutes.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk require that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to KSA 9-1402. The Kansas State Treasurer's Fiscal Agency Department held an unsecured and uncollateralized deposit of \$36,041.

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

IV. DETAILED NOTES ON ALL FUNDS - Continued

A. Deposits and Investments

**Component Unit.** At year-end, the carrying amount of the Library's cash, including certificates of deposit and cash on hand, was \$352,817 and the bank balance was \$311,699. The difference between the carrying amount and the bank balance was outstanding checks, deposits in transit and cash on hand. Of the bank balance, \$203,814 was covered by federal depository insurance and the remaining \$107,885 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the Library's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the Library, the pledging bank, and the independent third-party bank holding the pledged securities.

B. Receivables

Receivables as of year end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Industrial Development Sales Tax	Debt Service	Solid Waste Disposal	Sewer Utility	Water Utility	Other Governmental	Total
Receivables:								
Accounts	\$ 930,410	\$ 86,613	\$ -	\$ 327,328	\$ 294,403	\$ 434,420	\$ 65,987	\$ 2,139,161
Taxes	<u>3,578,645</u>	-	<u>1,848,270</u>	-	-	-	<u>627,435</u>	<u>6,054,350</u>
Gross Receivables	4,509,055	86,613	1,848,270	327,328	294,403	434,420	693,422	8,193,511
Less: allowance for uncollectibles	<u>76,574</u>	-	-	<u>9,948</u>	<u>17,469</u>	<u>13,988</u>	-	<u>117,979</u>
Total	<u>\$ 4,432,481</u>	<u>\$ 86,613</u>	<u>\$ 1,848,270</u>	<u>\$ 317,380</u>	<u>\$ 276,934</u>	<u>\$ 420,432</u>	<u>\$ 693,422</u>	<u>\$ 8,075,532</u>

C. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2006, is as follows:

Fund Types	Due From	Due To
Special Revenue:		
Industrial	\$ 32,149	\$ -
Law Enforcement Block Grant	-	32,149
Capital Projects:		
5th Avenue Relief Main	-	160,262
Storm Water Improvement Project	-	67,290
Prairie Pedestrian Bridge	259,061	-
Airport Improvement	-	31,509
	<u>\$ 291,210</u>	<u>\$ 291,210</u>

The City uses interfund receivables and payables as needed when pooled cash is negative within a fund until investments mature or grant proceeds are received. All payables are cleared in less than one year.



CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**IV. DETAILED NOTES ON ALL FUNDS - Continued**

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2006, was as follows:

	Balance 12/31/2005	Additions/ Restatements	Retirements	Balance 12/31/2006
City governmental activities:				
Capital assets, not being depreciated				
Land	\$ 1,683,849	\$ -	\$ -	\$ 1,683,849
Construction in progress	-	150,899	-	150,899
Capital assets, being depreciated				
Land improvements	199,360,140	2,809,622	-	202,169,762
Buildings and improvements	12,632,611	347,888	-	12,980,499
Vehicles	2,530,493	279,065	[69,665]	2,739,893
Equipment, furniture and fixtures	5,299,543	204,678	[205,326]	5,298,895
Total capital assets	<u>221,506,636</u>	<u>3,792,152</u>	<u>[274,991]</u>	<u>225,023,797</u>
Less accumulated depreciation for:				
Land improvements	100,232,414	6,725,616	-	106,958,030
Buildings and improvements	6,796,951	385,624	-	7,182,575
Vehicles	2,180,624	176,079	[65,550]	2,291,153
Equipment, furniture and fixtures	3,993,957	506,388	[187,812]	4,312,533
Total accumulated depreciation	<u>113,203,946</u>	<u>7,793,707</u>	<u>[253,362]</u>	<u>120,744,291</u>
Governmental activities capital assets, net	<u>\$ 108,302,690</u>	<u>\$ [4,001,555]</u>	<u>\$ [21,629]</u>	<u>\$ 104,279,506</u>
Business-type activities:				
Capital assets, not being depreciated				
Construction in progress	\$ 14,469	\$ -	\$ -	\$ 14,469
Land	210,525	-	-	210,525
Capital assets, being depreciated				
Land improvements	35,505,477	280,250	[3,996]	35,781,731
Buildings and improvements	19,436,024	-	[37,960]	19,398,064
Vehicles	7,409,384	276,441	[245,606]	7,440,219
Equipment, furniture and fixtures	3,303,377	-	[34,408]	3,268,969
Total capital assets	<u>65,879,256</u>	<u>556,691</u>	<u>[321,970]</u>	<u>66,113,977</u>
Less accumulated depreciation for:				
Land improvements	13,490,354	902,353	[15,239]	14,377,468
Buildings and improvements	6,389,383	521,735	[15,622]	6,895,496
Vehicles	3,516,906	718,925	[146,972]	4,088,859
Equipment, furniture and fixtures	2,396,135	74,778	[3,000]	2,467,913
Total accumulated depreciation	<u>25,792,778</u>	<u>2,217,791</u>	<u>[180,833]</u>	<u>27,829,736</u>
Business-type activities capital assets, net	<u>\$ 40,086,478</u>	<u>\$ [1,661,100]</u>	<u>\$ [141,137]</u>	<u>\$ 38,284,241</u>

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**IV. DETAILED NOTES ON ALL FUNDS - Continued**

**D. Capital Assets (Continued)**

The City's depreciation expense was charged as follows:

Governmental Activities:	
General government	\$ 153,222
Public safety	277,162
Highways and streets	6,571,128
Culture and recreation	538,335
Building maintenance	80,505
Airport operations	<u>173,355</u>
Total depreciation	<u>\$ 7,793,707</u>
Business-type Activities:	
Solid Waste Disposal	\$ 209,573
Sewer Utility	1,229,594
Water Utility	<u>778,624</u>
Total depreciation	<u>\$ 2,217,791</u>

**E. Long-Term Debt**

During the year ended December 31, 2006, the following changes, including the reallocation of the general obligation bonds outstanding between governmental and business-type activities, occurred in long term liabilities:

Governmental Activities

	Balance January 1, 2006	Additions/ Adjustments	Reductions	Balance December 31, 2006	Amounts Due Within One Year
General obligation bonds	\$ 25,785,400	\$ -	\$ 1,824,091	\$ 23,961,309	\$ 1,923,243
Temporary note	-	4,820,000	-	4,820,000	-
Loans	168,098	-	24,468	143,630	24,960
Compensated absences	<u>509,940</u>	<u>401,410</u>	<u>454,357</u>	<u>456,993</u>	<u>396,160</u>
	<u>\$ 26,463,438</u>	<u>\$ 5,221,410</u>	<u>\$ 2,302,916</u>	<u>\$ 29,381,932</u>	<u>\$ 2,344,363</u>

Business-type Activities

General obligation bonds	\$ 5,554,600	\$ -	\$ 625,909	\$ 4,928,691	\$ 521,757
Notes payable	14,343,737	-	692,895	13,650,842	687,052
Compensated absences	<u>68,082</u>	<u>75,465</u>	<u>68,132</u>	<u>75,415</u>	<u>75,415</u>
	<u>\$ 19,966,419</u>	<u>\$ 75,465</u>	<u>\$ 1,386,936</u>	<u>\$ 18,654,948</u>	<u>\$ 1,284,224</u>

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

IV. DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt - Continued

**General obligation bonds.** The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, general obligation bonds have been issued to refund both general obligation and revenue bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds and notes currently outstanding are as follows:

	<u>Issue Date</u>	<u>Mature Date</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Bonds Outstanding</u>
<u>Governmental Activities</u>					
1997-A internal improvements	10/1/97	9/1/11	\$ 2,050,000	4.25-6.00%	\$ 700,000
1998 refunding and improvements	12/1/98	9/1/14	3,375,000	3.875-4.75%	1,685,000
1999 internal improvements	12/1/99	9/1/14	1,770,000	5.25-5.75%	1,015,000
2000 internal improvements	12/1/00	9/1/15	4,375,000	4.55-6.00%	3,775,000
2001-A internal improvements	10/8/01	9/1/16	6,190,000	3.75-5.60%	5,590,000
2002 refunding	8/27/02	9/1/17	3,019,980	3.00-4.30%	1,940,000
2002-B refunding	11/20/02	11/1/12	2,800,000	3.00-3.50%	1,865,000
2003 refunding	8/15/03	9/1/18	1,631,800	3.20-4.65%	1,430,000
2004 internal improvements	9/1/04	9/1/19	3,045,000	3.875-4.10%	2,955,000
2005 internal improvements	10/27/05	9/1/19	3,022,000	3.70-5.00%	3,006,309
<u>Business-type Activities</u>					
1998 refunding and improvements	12/1/98	9/1/14	6,195,000	3.875-4.75%	4,035,000
2002 refunding	8/27/02	9/1/17	1,180,020	3.00-4.30%	530,000
2004 internal improvements	9/1/04	9/1/19	265,000	3.875-4.10%	250,000
2005 internal improvements	10/27/05	9/1/19	138,000	3.70-5.00%	113,691
					<u>\$ 28,890,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year</u>	<u>Business-type Activities</u>		<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 521,757	\$ 205,079	\$ 1,923,243	\$ 1,013,200
2008	542,643	184,193	1,987,357	932,484
2009	558,566	162,470	2,081,434	847,099
2010	589,525	141,025	2,055,475	758,026
2011	616,200	116,323	2,063,800	670,899
2012-2016	2,005,000	202,380	10,035,000	2,033,070
2017-2021	95,000	7,875	3,815,000	271,920
	<u>\$ 4,928,691</u>	<u>\$ 1,019,345</u>	<u>\$ 23,961,309</u>	<u>\$ 6,526,698</u>

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2006

IV. DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt - Continued

**Defeased bonds.** In prior years, the City had defeased certain outstanding debt obligations by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City's financial statements. At December 31, 2006, the following outstanding bonds are considered defeased:

1993-A general obligation bonds	\$ 75,000
1993-B general obligation bonds	550,000
1978 sewer system refunding revenue bonds	1,335,000
1989 water system revenue bonds	565,000
1994-A water system revenue bonds	3,965,000
1994-B general obligation bonds	525,000
1996-A general obligation bonds	1,325,000
Total	<u>\$ 8,340,000</u>

**Special assessments.** As provided by Kansas statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Debt Service fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Debt Service fund. The special assessments receivable are not recorded as revenue when levied against the respective property owners as such amounts are not available to finance current year operations. The special assessment debt is a contingent liability of the City to the extent of property owner defaults, which have historically been immaterial.

**Conduit debt.** The City has entered into several conduit debt arrangements wherein the City issues industrial revenue bonds to finance a portion of the construction of facilities by private enterprises. In return, the private enterprises have executed mortgage notes or leases with the City. The City is not responsible for payment of the original bonds, but rather the debt is secured only by the cash payments agreed to be paid by the private enterprises under the terms of the mortgage or lease agreements. Generally, the conduit debt is arranged so that payments required by the private enterprises are equal to the mortgage payment schedule related to the original debt. At December 31, 2006, total outstanding conduit debt was \$13,751,613.

**Notes Payable.** Payments began on February 1, 2000, on a 4.07% interest rate loan agreement with the Kansas Department of Health and Environment (KDHE) to fund water system improvements. The annual debt service requirements for this loan, which matures August 1, 2020, are as follows:

Year Ending December 31,	Water Utility Fund
2007	\$ 336,421
2008	336,421
2009	336,421
2010	336,421
2011	336,421
2012-2016	1,682,105
2017-2021	<u>1,345,685</u>
Total Principal and interest	4,709,896
Less: Interest	<u>1,146,339</u>
Total	<u>\$ 3,563,557</u>

CITY OF EMPORIA, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

IV. DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt - Continued

Payments began on September 1, 2001, on a 3.19% interest rate loan agreement with the Kansas Department of Health and Environment (KDHE) to fund wastewater treatment plant expansion. The current amount of debt service for this loan is \$3,594,399. Payments began on March 1, 2005, on a 3.10% interest rate loan agreement with the Kansas Department of Health and Environment (KDHE) to fund the second phase of the wastewater treatment plant expansion. The current amount of debt service for this loan is \$6,492,886. Annual debt service requirements for these loans, which mature March 1, 2021 and September 1, 2023, respectively, are as follows:

Year Ending December 31,	Wastewater Treatment Plant Expansion Phase I	Wastewater Treatment Plant Expansion Phase II	Total Sewer Utility Fund
2007	\$ 311,561	\$ 494,259	\$ 805,820
2008	311,561	494,259	805,820
2009	311,561	494,259	805,820
2010	311,561	494,259	805,820
2011	311,561	494,259	805,820
2012-2016	1,557,807	2,471,293	4,029,100
2017-2021	1,557,807	2,471,293	4,029,100
2022-2023	-	988,515	988,515
Total Principal and interest	4,673,419	8,402,396	13,075,815
Less: Interest	1,079,020	1,909,510	2,988,530
Total	<u>\$ 3,594,399</u>	<u>\$ 6,492,886</u>	<u>\$ 10,087,285</u>

**Loans Payable.** Payments began on November 1, 2002, on a 2% interest rate loan agreement through the Camoplast Rockland economic development grant agreement. The annual debt service requirements on this loan, which matures May 1, 2012, are as follows:

Year Ending December 31,	Governmental Activities
2007	\$ 27,708
2008	27,708
2009	27,708
2010	27,708
2011	27,708
2012-2016	<u>13,850</u>
Total Principal and interest	152,390
Less: Interest	<u>8,760</u>
Total	<u>\$ 143,630</u>

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**IV. DETAILED NOTES ON ALL FUNDS - Continued**

**F. Reconciliation of Transfers**

A reconciliation of interfund transfers follows:

	<u>To</u>	<u>From</u>
Major Funds:		
General	\$ 1,833,865	\$ 1,462,228
Industrial Development Sales Tax	643,064	-
Debt Service	711,654	-
Solid Waste Disposal	-	545,501
Sewer Utility	151,176	754,195
Water Utility	-	802,320
Other Governmental Funds	<u>671,968</u>	<u>447,483</u>
	<u>\$ 4,011,727</u>	<u>\$ 4,011,727</u>

The City uses interfund transfers to share administrative costs between funds.

**V. OTHER INFORMATION**

**A. Defined Benefit Pension Plan**

**Plan description** - The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are cost-sharing multiple-employer defined benefit pension plans as provided by Kansas statutes (KSA 74-4901 et seq). KPERS and KP&F provide retirement benefits, life insurance, disability income benefits and death benefits. Kansas law established and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to 611 South Kansas, Suite 100; Topeka, Kansas 66603 or by calling 1-888-275-5737.

**Funding policy** - KSA 74-4919 established the KPERS member-employee contribution rate at 4% of covered salary. KSA 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provision of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The employer rate was 4.61% from January 1 to June 30, 2006 and 4.81% from July 1 to December 31, 2006. The City employer contributions to KPERS for the years ending December 31, 2006, 2005, and 2004 were \$230,391, \$216,007, and \$180,541, respectively, equal to the required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2006 is 15.38%. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which are determined separately for each participating employer. The City's contributions to KP&F for the years ended December 31, 2006, 2005, and 2004 were \$634,606, \$647,080, and \$540,307, respectively, equal to the required contributions for each year.

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**V. OTHER INFORMATION - Continued**

**B. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan ("Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the Plan are transferred to a third-party custodial trust.

**C. Flexible Benefit Plan (I.R.C. Section 125)**

The City Commission has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All City full time employees are eligible to participate in the Plan beginning after two full months of employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Benefits offered through the Plan include insurance benefits.

**D. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlements of claims have not exceeded available coverage for the years ended December 31, 2006, 2005, or 2004.

**Workers' Compensation.** The City established a limited risk management program for workers' compensation. The program covers all City employees. Premiums are paid into the workers' compensation reserve fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is reported in the Workers' Compensation Fund because it is expected to be liquidated with expendable available financial resources. Changes in the balances of claims liabilities during the past year are as follows:

	<u>2006</u>	<u>2005</u>
Unpaid claims, January 1	\$ 373,403	\$ 367,885
Incurred claims (including IBNRs)	410,132	263,418
Claim payments	<u>[379,269]</u>	<u>[257,900]</u>
Unpaid claims, December 31	<u>\$ 404,266</u>	<u>\$ 373,403</u>

**Employee Health Care.** Similarly, the City has established a program to pay medical claims of covered current and former City employees. Liabilities are reported when it is probable that claims have been incurred and the amount of the liability can be reasonably estimated.

CITY OF EMPORIA, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2006

**V. OTHER INFORMATION - Continued**

**D. Risk Management - Continued**

Claim liabilities are calculated by the plan administrator and are expected to be liquidated with expendable available financial resources.

	<u>2006</u>	<u>2005</u>
Unpaid claims, January 1	\$ 131,830	\$ 74,383
Incurred claims (including IBNRs)	1,685,382	1,178,308
Claim payments	<u>[1,758,017]</u>	<u>[1,120,861]</u>
Unpaid claims, December 31	<u>\$ 59,195</u>	<u>\$ 131,830</u>

**E. Contingent Liabilities**

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the City at December 31, 2006.

The City is a party in various pending claims. Although the outcome of these pending claims is not presently determinable, it is the opinion of the City's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

**F. Related Party Transactions**

For the year ended December 31, 2006, the City paid \$7,036 for appraisal services to a company owned by a city commissioner. During the year ended December 31, 2006, the City also paid \$29,980 for heating and air conditioning services to a company owned by a city commissioner.

**G. New Governmental Accounting Standards**

The Governmental Accounting Standards Board (GASB) has issued the following statements which will or may affect the City:

Statement 43 - "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans" which establishes new reporting standards for Other Post Employment Benefit Plans (OPEB). This statement would impact the City in the event that it should decide to fund its OPEB liability as reported under Statement 45. See below. Statement 43 would be effective immediately after the implementation of Statement 45 in the event that the OPEB were funded.

Statement 45 - "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" which requires that the cost of providing Other Post Employment Benefits (OPEB) be accounted for in basically the same way as pension benefits including the use of actuarial valuation methods. The liability reported under this standard may be funded as provided for by Statement 43 above. Statement 45 is effective for the fiscal year beginning January 1, 2008.

The City implemented GASB Statement 44 for the year ended December 31, 2006. Statement 44 changes the requirements of the statistical section to conform with Statement 34 previously implemented by the City and to provide information that GASB considers more useful than previously reported.



CITY OF EMPORIA, KANSAS  
COMBINING STATEMENTS - NONMAJOR FUNDS  
NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**BUDGETED FUNDS:**

**Library Fund** - To account for the collection of tax levy money, which is appropriated to the Emporia Public Library for its operations.

**Library Employee Benefits Fund** - To account for the collection of tax levy money, which is appropriated to the Emporia Public Library specifically for employee benefits.

**Convention and Tourism Promotion Fund** - To account for the promotion of convention and tourism. Financing is provided by a 4% tax on gross rental receipts collected from hotels and motels within the City limits.

**Industrial Fund** - To account for the promotion of industrial development. The majority of this fund is used to assist in the acquisition of land for the industrial parks. Financing is provided by a property tax levy not to exceed 1 mill. This is the maximum amount that can be levied per Kansas statutes.

**Special Alcohol Program Fund** - To account for costs for the purchase, establishment, maintenance or expansion of services or programs related to substance abuse prevention and education, or treatment of persons who are substance abusers or are in danger of becoming substance abusers. Financing is provided by tax on the sale of alcoholic liquor by private clubs. State law requires 1/3 of this liquor tax to be used for a special alcohol program.

**Special Park and Recreation Fund** - To account for the costs of enhancing the areas of recreation or parks. Financing is provided by tax on the sale of alcoholic liquor by private clubs. State law requires 1/3 of this liquor tax to be used for a special park and recreation fund.

**Special Street Fund** - To account for a portion of costs of maintaining the street system. Financing is provided by a proportionate share of the Special City and County Highway Fund distributed by the State Treasurer.

**Drug Money Forfeiture Fund** - To account for the receipt and expenditure of funds seized by the police in connection with the arrest and conviction of individuals for illegal drug activities.

**NON - BUDGETED FUNDS:**

**Emergency Housing Fund** - To account for rehabilitation housing expenditures for low to moderate income level home owners when other financial sources cannot be utilized.

**Housing CDBG Grant Fund** - To account for the costs of rehabilitating eligible rental properties. Financing was provided by the US Department of Housing and Urban Development through a community development block grant.

**Housing Study RDA Fund** - To account for a county-wide study to identify the current and future needs and solutions to housing problems within the county.

**Housing Cost Analysis Program Fund** - To account for the collection and analysis of the costs associated with the construction of residential homes. The program also provides additional funds for qualified persons to purchase homes.

**Emergency Shelter Fund** - To account for grant funds appropriated to a local women's shelter.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENTS - NONMAJOR FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

**Telephone Tax -911 Fund** - To account for the cost of implementing a "911" emergency response telephone system.

**Law Enforcement Block Grant Fund** - To account for grant funds from the US Department of Justice to be used to purchase certain equipment for the police department.

**Home Owners Rehab Fund** - To account for funds used in the owner occupied rehabilitation grant program.

**DARE Crime Prevention Fund** - To account for funds expended in connection with the DARE program.

**Home Rehab Fund** - To account for funds used in the owner occupied rehabilitation grant program.

**Lake Kahola Fund** - To account for the funds received in the sale of Lake Kahola to the Lake Kahola cabin owners.

**Wireless 911 Tax** - To account for the cost of implementing a "911" emergency response for the wireless telephone system.

**2003 Home Rehab** - To account for funds used in the owner occupied rehabilitation grant program.

NONMAJOR CAPITAL PROJECT FUND

Capital project funds are used to account for acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**Internal Improvements** - To account for various city infrastructure improvement projects. Financing is provided through temporary notes and special assessments.

**Ball Diamonds** - To account for the costs to improve existing ball diamond facilities.

**5<sup>th</sup> Avenue Relief Main** - To account for the improvement of the sanitary sewer from 5th Avenue to the Cottonwood River. Financing is to be provided through CDBG money.

**Park Improvement Project** - To account for the costs of improving existing parks.

**Americus Rd US50 to 18th** - To account for the improvement of an existing road. To be financed with grant money and the issuance of general obligation bonds.

**Family Aquatic Center** - To account for costs of a new swimming pool complex.

**Civic Auditorium Improvement** - To account for the improvements to the Civic Auditorium, which will be funded through the issuance of general obligation bonds.

CITY OF EMPORIA, KANSAS  
COMBINING STATEMENTS - NONMAJOR FUNDS  
NONMAJOR CAPITAL PROJECT FUND

**Storm Water Improvement Project** - To account for improvements to the stormwater system.

**Prairie Pedestrian Bridge** - To account for the cost of the construction of a pedestrian bridge over I35. A KDOT grant will pay for 50% of the cost and general obligation bonds will be issued for the remainder.

**Traffic Signals** - To account for the cost of new traffic control devices.

**Paving Projects** - To account for the costs of new paving projects.

**Construction Projects** - To account for the costs of construction of new city facilities.

**Candlewood Drive** - To account for the costs of development within a new subdivision.

**Police Equipment** - To account for the costs of purchasing police equipment.

**Special Assessment** - To account for the costs of new subdivisions that will be charged special assessments.

**Airport Improvement** - To account for the improvements at the airport.

**Recreation Center Improvement** - To account for the improvements at the Recreation Center.

CITY OF EMPORIA, KANSAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2006

	Total Nonmajor Special Revenue <u>Funds</u>	Total Nonmajor Capital Project <u>Funds</u>	Total Nonmajor Governmental <u>Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 776,145	\$ 5,556,297	\$ 6,332,442
Receivables			
Accounts	65,987	-	65,987
Taxes	627,435	-	627,435
Due from other funds	32,149	259,061	291,210
Total assets	<u>\$ 1,501,716</u>	<u>\$ 5,815,358</u>	<u>\$ 7,317,074</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 13,811	\$ 129,155	\$ 142,966
Accrued liabilities	12,878	-	12,878
Due to other funds	32,149	259,061	291,210
Deferred revenue	627,435	-	627,435
Total liabilities	<u>686,273</u>	<u>388,216</u>	<u>1,074,489</u>
Fund balance:			
Unreserved			
Designated			
For industrial development	118,245	-	118,245
Undesignated [deficit]	697,198	5,427,142	6,124,340
Total fund balance [deficit]	<u>815,443</u>	<u>5,427,142</u>	<u>6,242,585</u>
Total liabilities and fund balances	<u>\$ 1,501,716</u>	<u>\$ 5,815,358</u>	<u>\$ 7,317,074</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2006

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ 688,756	\$ -	\$ 688,756
Intergovernmental	1,876,201	295,383	2,171,584
Use of money and property	18,451	111,039	129,490
Donations and contributions	825	-	825
Miscellaneous	322,086	22,179	344,265
Total Revenues	<u>2,906,319</u>	<u>428,601</u>	<u>3,334,920</u>
Expenditures			
Current			
General government	599,535	-	599,535
Law enforcement	27,837	-	27,837
Highways and streets	551,268	-	551,268
Culture and recreation	669,450	-	669,450
Health and environment	61,205	-	61,205
Planning and development	243,152	-	243,152
Capital outlay	-	2,250,940	2,250,940
Debt service			
Interest and other charges	-	14,464	14,464
Total Expenditures	<u>2,152,447</u>	<u>2,265,404</u>	<u>4,417,851</u>
Excess [deficiency] of revenues over [under] expenditures	<u>753,872</u>	<u>[1,836,803]</u>	<u>[1,082,931]</u>
Other Financing Sources [Uses]			
Transfers in	21,158	650,810	671,968
Transfers out	[278,658]	[168,825]	[447,483]
Sale of bonds	-	4,820,000	4,820,000
Total Other Financing Sources [Uses]	<u>[257,500]</u>	<u>5,301,985</u>	<u>5,044,485</u>
Net change in fund balances	<u>496,372</u>	<u>3,465,182</u>	<u>3,961,554</u>
Fund balance, beginning of year	307,171	1,949,760	2,256,931
Prior period adjustment	<u>11,900</u>	<u>12,200</u>	<u>24,100</u>
Fund balance, beginning of year, restated	<u>319,071</u>	<u>1,961,960</u>	<u>2,281,031</u>
Fund balance, end of year	<u>\$ 815,443</u>	<u>\$ 5,427,142</u>	<u>\$ 6,242,585</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2006

	<u>Library</u>	<u>Library Employee Benefits</u>	<u>Convention and Tourism Promotion</u>	<u>Industrial</u>
<b>ASSETS</b>				
Cash and investments	\$ 13,525	\$ 9,855	\$ 33,064	\$ 86,096
Receivables				
Accounts	-	-	-	-
Taxes	588,542	37,863	-	1,030
Due from other funds	-	-	-	32,149
Total assets	<u>\$ 602,067</u>	<u>\$ 47,718</u>	<u>\$ 33,064</u>	<u>\$ 119,275</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	<u>588,542</u>	<u>37,863</u>	<u>-</u>	<u>1,030</u>
Total liabilities	<u>588,542</u>	<u>37,863</u>	<u>-</u>	<u>1,030</u>
Fund balance:				
Unreserved				
Designated				
For industrial development	-	-	-	118,245
Undesignated [deficit]	<u>13,525</u>	<u>9,855</u>	<u>33,064</u>	<u>-</u>
Total fund balance [deficit]	<u>13,525</u>	<u>9,855</u>	<u>33,064</u>	<u>118,245</u>
Total liabilities and fund balances	<u>\$ 602,067</u>	<u>\$ 47,718</u>	<u>\$ 33,064</u>	<u>\$ 119,275</u>

<u>Special Alcohol Program</u>	<u>Special Park and Recreation</u>	<u>Special Street</u>	<u>Drug Money Forfeiture</u>	<u>Emergency Housing</u>	<u>Housing CDBG Grant</u>	<u>Housing Study RDA</u>
\$ 53,686	\$ 88,595	\$ 77,060	\$ 12,296	\$ -	\$ 12,470	\$ 1,694
-	-	3,668	-	-	5,654	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 53,686</u>	<u>\$ 88,595</u>	<u>\$ 80,728</u>	<u>\$ 12,296</u>	<u>\$ -</u>	<u>\$ 18,124</u>	<u>\$ 1,694</u>

\$ -	\$ 2,411	\$ 9,382	\$ -	\$ -	\$ -	\$ -
-	-	12,878	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>2,411</u>	<u>22,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

-	-	-	-	-	-	-
<u>53,686</u>	<u>86,184</u>	<u>58,468</u>	<u>12,296</u>	<u>-</u>	<u>18,124</u>	<u>1,694</u>
<u>53,686</u>	<u>86,184</u>	<u>58,468</u>	<u>12,296</u>	<u>-</u>	<u>18,124</u>	<u>1,694</u>
<u>\$ 53,686</u>	<u>\$ 88,595</u>	<u>\$ 80,728</u>	<u>\$ 12,296</u>	<u>\$ -</u>	<u>\$ 18,124</u>	<u>\$ 1,694</u>

See independent auditor's report on the financial statements.

## CITY OF EMPORIA, KANSAS

COMBINING BALANCE SHEET, CONTINUED  
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2006

	Housing Cost Analysis Program	Emergency Shelter	Telephone Tax-911	Law Enforcement Block Grant
ASSETS				
Cash and investments	\$ -	\$ -	\$ 1,002	\$ -
Receivables				
Accounts	-	-	762	-
Taxes	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,764</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 160	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	32,149
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>160</u>	<u>32,149</u>
Fund balance:				
Unreserved				
Designated				
For industrial development	-	-	-	-
Undesignated [deficit]	-	-	1,604	[32,149]
Total fund balance [deficit]	<u>-</u>	<u>-</u>	<u>1,604</u>	<u>[32,149]</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,764</u>	<u>\$ -</u>



Home Owners Rehab	DARE Crime Prevention	Home Rehab	Lake Kahola	Wireless 911 Tax	2003 Home Rehab	Totals
\$ 6,793	\$ 1,687	\$ 6,085	\$ 296,909	\$ 62,483	12,845	\$ 776,145
13,988	-	4,180	-	115	37,620	65,987
-	-	-	-	-	-	627,435
-	-	-	-	-	-	32,149
<u>\$ 20,781</u>	<u>\$ 1,687</u>	<u>\$ 10,265</u>	<u>\$ 296,909</u>	<u>\$ 62,598</u>	<u>\$ 50,465</u>	<u>\$ 1,501,716</u>

\$ -	\$ -	\$ -	\$ -	\$ 300	\$ 1,558	\$ 13,811
-	-	-	-	-	-	12,878
-	-	-	-	-	-	32,149
-	-	-	-	-	-	627,435
-	-	-	-	300	1,558	686,273

-	-	-	-	-	-	118,245
20,781	1,687	10,265	296,909	62,298	48,907	697,198
<u>20,781</u>	<u>1,687</u>	<u>10,265</u>	<u>296,909</u>	<u>62,298</u>	<u>48,907</u>	<u>815,443</u>
<u>\$ 20,781</u>	<u>\$ 1,687</u>	<u>\$ 10,265</u>	<u>\$ 296,909</u>	<u>\$ 62,598</u>	<u>\$ 50,465</u>	<u>\$ 1,501,716</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended December 31, 2006

	<u>Library</u>	<u>Library Employee Benefits</u>	<u>Convention and Tourism Promotion</u>	<u>Industrial</u>
Revenues				
Taxes	\$ 638,388	\$ 49,225	\$ -	\$ 1,143
Intergovernmental	-	-	320,479	-
Use of money and property	-	-	1,191	4,818
Donations	-	-	-	-
Miscellaneous	106	-	-	-
Total Revenues	<u>638,494</u>	<u>49,225</u>	<u>321,670</u>	<u>5,961</u>
Expenditures				
General government	-	-	315,738	-
Law enforcement	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	628,450	41,000	-	-
Health and environment	-	-	-	-
Planning and development	-	-	-	1,576
Total Expenditures	<u>628,450</u>	<u>41,000</u>	<u>315,738</u>	<u>1,576</u>
Excess [deficiency] of revenues over [under] expenditures	<u>10,044</u>	<u>8,225</u>	<u>5,932</u>	<u>4,385</u>
Other Financing Sources [Uses]				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources [Uses]	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>10,044</u>	<u>8,225</u>	<u>5,932</u>	<u>4,385</u>
Fund balance, beginning of year	3,481	1,630	27,132	113,860
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year, restated	<u>3,481</u>	<u>1,630</u>	<u>27,132</u>	<u>113,860</u>
Fund balance, end of year	<u>\$ 13,525</u>	<u>\$ 9,855</u>	<u>\$ 33,064</u>	<u>\$ 118,245</u>

<u>Special Alcohol Program</u>	<u>Special Park and Recreation</u>	<u>Special Street</u>	<u>Drug Money Forfeiture</u>	<u>Emergency Housing</u>	<u>Housing CDBG Grant</u>	<u>Housing Study RDA</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
83,525	83,525	852,260	112	-	-	-
1,351	1,506	6,904	587	-	-	-
-	800	-	-	-	-	-
-	-	6,260	-	-	-	-
<u>84,876</u>	<u>85,831</u>	<u>865,424</u>	<u>699</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	15,570	-	-	7	-	-
-	-	-	3,419	-	-	-
-	-	551,268	-	-	-	-
-	-	-	-	-	-	-
61,205	-	-	-	-	-	-
-	-	-	-	-	4,306	-
<u>61,205</u>	<u>15,570</u>	<u>551,268</u>	<u>3,419</u>	<u>7</u>	<u>4,306</u>	<u>-</u>
<u>23,671</u>	<u>70,261</u>	<u>314,156</u>	<u>[2,720]</u>	<u>[7]</u>	<u>[4,306]</u>	<u>-</u>
-	-	-	-	-	1,158	-
-	-	[277,500]	-	[1,158]	-	-
-	-	[277,500]	-	[1,158]	1,158	-
<u>23,671</u>	<u>70,261</u>	<u>36,656</u>	<u>[2,720]</u>	<u>[1,165]</u>	<u>[3,148]</u>	<u>-</u>
30,015	15,923	9,912	15,016	1,165	21,272	1,694
-	-	11,900	-	-	-	-
<u>30,015</u>	<u>15,923</u>	<u>21,812</u>	<u>15,016</u>	<u>1,165</u>	<u>21,272</u>	<u>1,694</u>
<u>\$ 53,686</u>	<u>\$ 86,184</u>	<u>\$ 58,468</u>	<u>\$ 12,296</u>	<u>\$ -</u>	<u>\$ 18,124</u>	<u>\$ 1,694</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES, CONTINUED  
NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended December 31, 2006

	Housing Cost Analysis Program	Emergency Shelter	Telephone Tax-911	Law Enforcement Block Grant
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	22,222	49,870	14,593
Use of money and property	-	-	-	-
Donations	-	-	-	25
Miscellaneous	-	-	-	-
Total Revenues	-	22,222	49,870	14,618
Expenditures				
General government	-	22,538	19,048	-
Law enforcement	-	-	-	24,418
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Health and environment	-	-	-	-
Planning and development	60,659	-	-	-
Total Expenditures	60,659	22,538	19,048	24,418
Excess [deficiency] of revenues over [under] expenditures	[60,659]	[316]	30,822	[9,800]
Other Financing Sources [Uses]				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources [Uses]	-	-	-	-
Net change in fund balances	[60,659]	[316]	30,822	[9,800]
Fund balance, beginning of year	60,659	316	[29,218]	[22,349]
Prior period adjustment	-	-	-	-
Fund balance, beginning of year, restated	60,659	316	[29,218]	[22,349]
Fund balance, end of year	\$ -	\$ -	\$ 1,604	\$ [32,149]

Home Owners Rehab	DARE Crime Prevention	Home Rehab	Lake Kahola	Wireless 911 Tax	2003 Home Rehab	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 688,756
-	-	2,843	-	52,719	394,053	1,876,201
-	-	-	39	2,055	-	18,451
-	-	-	-	-	-	825
-	-	-	315,720	-	-	322,086
-	-	2,843	315,759	54,774	394,053	2,906,319
-	-	-	-	22,245	204,389	599,535
-	-	-	-	-	-	27,837
-	-	-	-	-	-	551,268
-	-	-	-	-	-	669,450
-	-	-	-	-	-	61,205
7	-	11,250	18,850	-	146,504	243,152
7	-	11,250	18,850	22,245	350,893	2,152,447
[7]	-	[8,407]	296,909	32,529	43,160	753,872
-	-	-	-	-	20,000	21,158
-	-	-	-	-	-	[278,658]
-	-	-	-	-	20,000	[257,500]
[7]	-	[8,407]	296,909	32,529	63,160	496,372
20,788	1,687	18,672	-	29,769	[14,253]	307,171
-	-	-	-	-	-	11,900
20,788	1,687	18,672	-	29,769	[14,253]	319,071
\$ 20,781	\$ 1,687	\$ 10,265	\$ 296,909	\$ 62,298	\$ 48,907	\$ 815,443

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECT FUNDS  
 December 31, 2006

	Internal Improvements	Ball Diamonds	5th Avenue Relief Main
ASSETS			
Cash and investments	\$ 40,082	\$ 23,540	\$ -
Due from other funds	-	-	-
Total assets	<u>\$ 40,082</u>	<u>\$ 23,540</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	160,262
Total liabilities	<u>-</u>	<u>-</u>	<u>160,262</u>
Fund balance:			
Unreserved			
Undesignated [deficit]	40,082	23,540	[160,262]
Total fund balances [deficit]	<u>40,082</u>	<u>23,540</u>	<u>[160,262]</u>
Total liabilities and fund balances	<u>\$ 40,082</u>	<u>\$ 23,540</u>	<u>\$ -</u>

<u>Park Improvement Project</u>	<u>Americus Rd US50 to 18th</u>	<u>Family Aquatic Center</u>	<u>Civic Auditorium Improvement</u>
\$ 173,566	\$ -	\$ -	\$ 25,134
-	-	-	-
<u>\$ 173,566</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,134</u>

\$ 19,742	\$ -	\$ -	\$ 137
-	-	-	-
<u>19,742</u>	<u>-</u>	<u>-</u>	<u>137</u>

<u>153,824</u>	<u>-</u>	<u>-</u>	<u>24,997</u>
<u>153,824</u>	<u>-</u>	<u>-</u>	<u>24,997</u>
<u>\$ 173,566</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,134</u>

CITY OF EMPORIA, KANSAS

COMBINING BALANCE SHEET, CONTINUED  
NONMAJOR CAPITAL PROJECT FUNDS  
December 31, 2006

	Storm Water Improvement Project	Prairie Pedestrian Bridge	Traffic Signals	Paving Projects
ASSETS				
Cash and investments	\$ -	\$ 1,479,539	\$ 80,382	\$ 3,296,182
Due from other funds	-	259,061	-	-
Total assets	<u>\$ -</u>	<u>\$ 1,738,600</u>	<u>\$ 80,382</u>	<u>\$ 3,296,182</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 832	\$ -	\$ 108,444
Due to other funds	67,290	-	-	-
Total liabilities	<u>67,290</u>	<u>832</u>	<u>-</u>	<u>108,444</u>
Fund balance:				
Unreserved				
Undesignated [deficit]	[67,290]	1,737,768	80,382	3,187,738
Total fund balances [deficit]	<u>[67,290]</u>	<u>1,737,768</u>	<u>80,382</u>	<u>3,187,738</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 1,738,600</u>	<u>\$ 80,382</u>	<u>\$ 3,296,182</u>



Construction Projects	Candlewood Drive	Police Equipment	Special Assessment	Airport Improvement	Recreation Center Improvement	Totals
\$ 374,399	\$ -	\$ -	\$ 50,618	\$ -	\$ 12,855	\$ 5,556,297
-	-	-	-	-	-	259,061
<u>\$ 374,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,618</u>	<u>\$ -</u>	<u>\$ 12,855</u>	<u>\$ 5,815,358</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,155
-	-	-	-	31,509	-	259,061
-	-	-	-	31,509	-	388,216
374,399	-	-	50,618	[31,509]	12,855	5,427,142
<u>374,399</u>	<u>-</u>	<u>-</u>	<u>50,618</u>	<u>[31,509]</u>	<u>12,855</u>	<u>5,427,142</u>
<u>\$ 374,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,618</u>	<u>\$ -</u>	<u>\$ 12,855</u>	<u>\$ 5,815,358</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
For the Year Ended December 31, 2006

	Internal Improvements	Ball Diamonds	5th Avenue Relief Main
Revenues			
Intergovernmental	\$ 5,336	\$ -	\$ -
Use of money and property	2,555	957	-
Miscellaneous	-	-	-
Total Revenues	<u>7,891</u>	<u>957</u>	<u>-</u>
Expenditures			
Capital outlay			
Contract costs	334,494	-	-
Debt service			
Interest and other charges	577	-	-
Total Expenditures	<u>335,071</u>	<u>-</u>	<u>-</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[327,180]</u>	<u>957</u>	<u>-</u>
Other Financing Sources [Uses]			
Transfers in	115,869	-	107,824
Transfers out	[2,681]	-	-
Sale of bonds	192,431	-	-
Total Other Financing Sources [Uses]	<u>305,619</u>	<u>-</u>	<u>107,824</u>
Net change in fund balances	<u>[21,561]</u>	<u>957</u>	<u>107,824</u>
Fund balance, beginning of year	61,643	22,583	[268,086]
Prior period adjustment	-	-	-
Fund balance, beginning of year, restated	<u>61,643</u>	<u>22,583</u>	<u>[268,086]</u>
Fund balance, end of year	<u>\$ 40,082</u>	<u>\$ 23,540</u>	<u>\$ [160,262]</u>

Park Improvement Project	Americus Rd US50 to 18th	Family Aquatic Center	Civic Auditorium Improvement
\$ 250	\$ -	\$ -	\$ -
3,312	-	-	2,113
22,179	-	-	-
<u>25,741</u>	<u>-</u>	<u>-</u>	<u>2,113</u>
208,916	5,224	-	65,705
678	-	-	-
<u>209,594</u>	<u>5,224</u>	<u>-</u>	<u>65,705</u>
<u>[183,853]</u>	<u>[5,224]</u>	<u>-</u>	<u>[63,592]</u>
37	95,209	9,927	-
[5,198]	-	-	-
225,821	-	-	-
<u>220,660</u>	<u>95,209</u>	<u>9,927</u>	<u>-</u>
<u>36,807</u>	<u>89,985</u>	<u>9,927</u>	<u>[63,592]</u>
104,817	[89,985]	[9,927]	88,589
12,200	-	-	-
<u>117,017</u>	<u>[89,985]</u>	<u>[9,927]</u>	<u>88,589</u>
<u>\$ 153,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,997</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES, CONTINUED  
NONMAJOR CAPITAL PROJECT FUNDS  
For the Year Ended December 31, 2006

	Storm Water Improvement Project	Prairie Pedestrian Bridge	Traffic Signals	Paving Projects
Revenues				
Intergovernmental	\$ -	\$ 53,064	\$ 42,524	\$ 193,809
Use of money and property	-	58,220	2,778	31,502
Contributions	-	-	-	-
Total Revenues	-	111,284	45,302	225,311
Expenditures				
Capital outlay				
Contract costs	2,382	64,649	2,559	1,342,749
Debt service				
Interest and other charges	-	949	-	10,543
Total Expenditures	2,382	65,598	2,559	1,353,292
Excess [deficiency] of revenues over [under] expenditures	[2,382]	45,686	42,743	[1,127,981]
Other Financing Sources [Uses]				
Transfers in	-	32,544	3,688	176,646
Transfers out	[7,090]	-	-	[23,629]
Sale of bonds	-	316,149	-	3,513,477
Total Other Financing Sources [Uses]	[7,090]	348,693	3,688	3,666,494
Net change in fund balances	[9,472]	394,379	46,431	2,538,513
Fund balance, beginning of year	[57,818]	1,343,389	33,951	649,225
Prior period adjustment	-	-	-	-
Fund balance, beginning of year, restated	[57,818]	1,343,389	33,951	649,225
Fund balance, end of year	\$ [67,290]	\$ 1,737,768	\$ 80,382	\$ 3,187,738

Construction Projects	Candlewood Drive	Police Equipment	Special Assessment	Airport Improvement	Recreation Center Improvement	Totals
\$ -	\$ -	\$ -	\$ -	\$ 400	\$ -	\$ 295,383
3,974	5,095	-	-	-	533	111,039
-	-	-	-	-	-	22,179
<u>3,974</u>	<u>5,095</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>533</u>	<u>428,601</u>
-	-	4,283	209,129	10,850	-	2,250,940
940	-	-	777	-	-	14,464
<u>940</u>	<u>-</u>	<u>4,283</u>	<u>209,906</u>	<u>10,850</u>	<u>-</u>	<u>2,265,404</u>
<u>3,034</u>	<u>5,095</u>	<u>[4,283]</u>	<u>[209,906]</u>	<u>[10,450]</u>	<u>533</u>	<u>[1,836,803]</u>
-	-	108,270	796	-	-	650,810
-	[128,764]	-	[1,186]	-	[277]	[168,825]
313,185	-	-	258,937	-	-	4,820,000
<u>313,185</u>	<u>[128,764]</u>	<u>108,270</u>	<u>258,547</u>	<u>-</u>	<u>[277]</u>	<u>5,301,985</u>
<u>316,219</u>	<u>[123,669]</u>	<u>103,987</u>	<u>48,641</u>	<u>[10,450]</u>	<u>256</u>	<u>3,465,182</u>
58,180	123,669	[103,987]	1,977	[21,059]	12,599	1,949,760
-	-	-	-	-	-	12,200
<u>58,180</u>	<u>123,669</u>	<u>[103,987]</u>	<u>1,977</u>	<u>[21,059]</u>	<u>12,599</u>	<u>1,961,960</u>
<u>\$ 374,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,618</u>	<u>\$ [31,509]</u>	<u>\$ 12,855</u>	<u>\$ 5,427,142</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
LIBRARY FUND

For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Taxes	\$ 638,388	\$ -	\$ 638,388	\$ 623,959	\$ 623,959	\$ 14,429
Miscellaneous	106	-	106	-	-	106
Total revenues	<u>638,494</u>	<u>-</u>	<u>638,494</u>	<u>623,959</u>	<u>623,959</u>	<u>14,535</u>
EXPENDITURES:						
Culture and recreation	<u>628,450</u>	<u>-</u>	<u>628,450</u>	<u>628,450</u>	<u>628,450</u>	<u>-</u>
Total expenditures	<u>628,450</u>	<u>-</u>	<u>628,450</u>	<u>628,450</u>	<u>628,450</u>	<u>-</u>
Excess [deficiency] of revenues over [under] expenditures	10,044	-	10,044	\$ [4,491]	\$ [4,491]	\$ 14,535
FUND BALANCE - Beginning of year	<u>3,481</u>	<u>-</u>	<u>3,481</u>			
FUND BALANCE - End of year	<u>\$ 13,525</u>	<u>\$ -</u>	<u>\$ 13,525</u>			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
LIBRARY EMPLOYEE BENEFIT FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Taxes	\$49,225	\$ -	\$ 49,225	\$ 48,020	\$ 48,020	\$ 1,205
Total revenues	<u>49,225</u>	<u>-</u>	<u>49,225</u>	<u>48,020</u>	<u>48,020</u>	<u>1,205</u>
EXPENDITURES:						
Culture and recreation	<u>41,000</u>	<u>-</u>	<u>41,000</u>	<u>48,500</u>	<u>48,500</u>	<u>7,500</u>
Total expenditures	<u>41,000</u>	<u>-</u>	<u>41,000</u>	<u>48,500</u>	<u>48,500</u>	<u>7,500</u>
Excess [deficiency] of revenues over [under] expenditures	8,225	-	8,225	\$ [480]	\$ [480]	\$ 8,705
FUND BALANCE - Beginning of year	<u>1,630</u>	<u>-</u>	<u>1,630</u>			
FUND BALANCE - End of year	<u>\$ 9,855</u>	<u>\$ -</u>	<u>\$ 9,855</u>			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
CONVENTION AND TOURISM FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 320,479	\$ -	\$ 320,479	\$ 305,000	\$ 305,000	\$ 15,479
Use of money and property	<u>1,191</u>	<u>-</u>	<u>1,191</u>	<u>109</u>	<u>109</u>	<u>1,082</u>
Total revenues	<u>321,670</u>	<u>-</u>	<u>321,670</u>	<u>305,109</u>	<u>305,109</u>	<u>16,561</u>
EXPENDITURES:						
Current						
General Government						
Appropriation	<u>315,738</u>	<u>-</u>	<u>315,738</u>	<u>310,260</u>	<u>320,000</u>	<u>4,262</u>
Total expenditures	<u>315,738</u>	<u>-</u>	<u>315,738</u>	<u>310,260</u>	<u>320,000</u>	<u>4,262</u>
Excess [deficiency] of revenues over [under] expenditures	5,932	-	5,932	\$ [5,151]	\$ [14,891]	\$ 20,823
FUND BALANCE - Beginning of year	<u>27,132</u>	<u>-</u>	<u>27,132</u>			
FUND BALANCE - End of year	<u>\$ 33,064</u>	<u>\$ -</u>	<u>\$ 33,064</u>			



## CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
INDUSTRIAL FUND

For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 1,143	\$ -	\$ 1,143	\$ 1,180	\$ 1,180	\$ [37]
Use of money and property	<u>4,818</u>	<u>-</u>	<u>4,818</u>	<u>1,300</u>	<u>1,300</u>	<u>3,518</u>
Total revenues	<u>5,961</u>	<u>-</u>	<u>5,961</u>	<u>2,480</u>	<u>2,480</u>	<u>3,481</u>
EXPENDITURES:						
Current						
Planning and development						
Contractual services	<u>1,576</u>	<u>-</u>	<u>1,576</u>	<u>113,960</u>	<u>113,960</u>	<u>112,384</u>
Total expenditures	<u>1,576</u>	<u>-</u>	<u>1,576</u>	<u>113,960</u>	<u>113,960</u>	<u>112,384</u>
Excess [deficiency] of revenues over [under] expenditures	4,385	-	4,385	<u>\$ [111,480]</u>	<u>\$ [111,480]</u>	<u>\$ 115,865</u>
FUND BALANCE - Beginning of year	<u>113,860</u>	<u>-</u>	<u>113,860</u>			
FUND BALANCE - End of year	<u>\$ 118,245</u>	<u>\$ -</u>	<u>\$ 118,245</u>			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL ALCOHOL PROGRAM FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 83,525	\$ -	\$ 83,525	\$ 72,000	\$ 72,000	\$ 11,525
Use of money and property	<u>1,351</u>	<u>-</u>	<u>1,351</u>	<u>149</u>	<u>149</u>	<u>1,202</u>
Total revenues	<u>84,876</u>	<u>-</u>	<u>84,876</u>	<u>72,149</u>	<u>72,149</u>	<u>12,727</u>
EXPENDITURES:						
Current						
Health and environment						
Appropriation	<u>61,205</u>	<u>-</u>	<u>61,205</u>	<u>96,900</u>	<u>96,900</u>	<u>35,695</u>
Total expenditures	<u>61,205</u>	<u>-</u>	<u>61,205</u>	<u>96,900</u>	<u>96,900</u>	<u>35,695</u>
Excess [deficiency] of revenues over [under] expenditures	23,671	-	23,671	<u>\$ [24,751]</u>	<u>\$ [24,751]</u>	<u>\$ 48,422</u>
FUND BALANCE - Beginning of year	<u>30,015</u>	<u>-</u>	<u>30,015</u>			
FUND BALANCE - End of year	<u>\$ 53,686</u>	<u>\$ -</u>	<u>\$ 53,686</u>			

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL PARK AND RECREATION FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 83,525	\$ -	\$ 83,525	\$ 72,000	\$ 72,000	\$ 11,525
Use of money and property	1,506	-	1,506	279	279	1,227
Donations	800	-	800	-	-	800
Total revenues	<u>85,831</u>	<u>-</u>	<u>85,831</u>	<u>72,279</u>	<u>72,279</u>	<u>13,552</u>
EXPENDITURES:						
Current						
General government						
Contractual	5,244	-	5,244	-	-	[5,244]
Commodities	2,896	-	2,896	-	-	[2,896]
Capital outlay	7,430	-	7,430	89,500	89,500	82,070
Total expenditures	<u>15,570</u>	<u>-</u>	<u>15,570</u>	<u>89,500</u>	<u>89,500</u>	<u>73,930</u>
Excess [deficiency] of revenues over [under] expenditures	70,261	-	70,261	<u>\$ [17,221]</u>	<u>\$ [17,221]</u>	<u>\$ 87,482</u>
FUND BALANCE - Beginning of year	<u>15,923</u>	<u>-</u>	<u>15,923</u>			
FUND BALANCE - End of year	<u>\$ 86,184</u>	<u>\$ -</u>	<u>\$ 86,184</u>			

CITY OF EMPORIA, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL STREET FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 852,260	\$ -	\$ 852,260	\$ 885,790	\$ 885,790	\$ [33,530]
Use of money and property	6,904	-	6,904	1,214	1,214	5,690
Miscellaneous	6,260	-	6,260	7,500	7,500	[1,240]
Total revenues	<u>865,424</u>	<u>-</u>	<u>865,424</u>	<u>894,504</u>	<u>894,504</u>	<u>[29,080]</u>
EXPENDITURES:						
Current						
Highways and streets						
Personal services	347,945	-	347,945	488,331	488,331	140,386
Contractual	86,620	-	86,620	207,100	207,100	120,480
Commodities	93,024	-	93,024	115,300	115,300	22,276
Other charges	824	-	824	[22,650]	[22,650]	[23,474]
Capital outlay	22,855	-	22,855	89,000	89,000	66,145
Total expenditures	<u>551,268</u>	<u>-</u>	<u>551,268</u>	<u>877,081</u>	<u>877,081</u>	<u>325,813</u>
Excess [deficiency] of revenues over [under] expenditures	314,156	-	314,156	17,423	17,423	296,733
OTHER FINANCING SOURCES [USES]:						
Transfers out	<u>[277,500]</u>	<u>-</u>	<u>[277,500]</u>	<u>[48,100]</u>	<u>[48,100]</u>	<u>[229,400]</u>
Excess of revenues over [under] expenditures and other financing [uses]	<u>36,656</u>	<u>-</u>	<u>36,656</u>	<u>\$ [30,677]</u>	<u>\$ [30,677]</u>	<u>\$ 67,333</u>
FUND BALANCE - Beginning of year	9,912	-	9,912			
Prior period adjustment	<u>11,900</u>	<u>-</u>	<u>11,900</u>			
FUND BALANCE - Beginning of year	<u>21,812</u>	<u>-</u>	<u>21,812</u>			
FUND BALANCE - End of year	<u>\$ 58,468</u>	<u>\$ -</u>	<u>\$ 58,468</u>			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
DRUG MONEY FORFEITURE FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental	\$ 112	\$ -	\$ 112	\$ 16,700	\$ 16,700	\$ [16,588]
Use of money and property	587	-	587	100	100	487
Total revenues	699	-	699	16,800	16,800	[16,101]
EXPENDITURES:						
Current						
Law enforcement						
Commodities	3,419	-	3,419	26,085	26,085	22,666
Total expenditures	3,419	-	3,419	26,085	26,085	22,666
Excess [deficiency] of revenues over [under] expenditures	[2,720]	-	[2,720]	\$ [9,285]	\$ [9,285]	\$ 6,565
FUND BALANCE - Beginning of year	15,016	-	15,016			
FUND BALANCE - End of year	\$ 12,296	\$ -	\$ 12,296			

See independent auditor's report on the financial statements.

## CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
DEBT SERVICE FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Taxes	\$ 2,213,902	\$ -	\$ 2,213,902	\$ 1,894,455	\$ 1,894,455	\$ 319,447
Special assessments	65,889	-	65,889	238,871	238,871	[172,982]
Intergovernmental	-	-	-	521,221	521,221	[521,221]
Transfer in	-	-	-	21,500	21,500	[21,500]
Use of money and property	43,256	-	43,256	20,000	20,000	23,256
Total revenues	2,323,047	-	2,323,047	2,696,047	2,696,047	[373,000]
EXPENDITURES:						
Debt Service						
Principal	1,824,091	-	1,824,091	1,858,400	1,858,400	34,309
Interest	1,060,994	-	1,060,994	1,043,072	1,067,500	6,506
Commission and postage	-	-	-	100	100	100
Total expenditures	2,885,085	-	2,885,085	2,901,572	2,926,000	40,915
Excess [deficiency] of revenues over [under] expenditures	[562,038]	-	[562,038]	[205,525]	[229,953]	[332,085]
OTHER FINANCING SOURCES [USES]:						
Transfers in	711,654	-	711,654	-	-	711,654
Total other financing sources [uses]	711,654	-	711,654	-	-	711,654
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	149,616	-	149,616	\$ [205,525]	\$ [229,953]	\$ 379,569
FUND BALANCE - Beginning of year	99,442	-	99,442			
FUND BALANCE - End of year	\$ 249,058	\$ -	\$ 249,058			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES  
IN NET ASSETS - ACTUAL AND BUDGET  
SOLID WASTE DISPOSAL FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues and transfers						
Charges for services	\$ 3,021,910	\$ -	\$ 3,021,910	\$ 2,936,000	\$ 2,936,000	\$ 85,910
Use of money and property	12,944	-	12,944	2,500	2,500	10,444
Reimbursements	-	-	-	11,000	11,000	[11,000]
Miscellaneous	4,795	-	4,795	1,000	1,000	3,795
Sale of salvage	101,052	-	101,052	180,000	180,000	[78,948]
Total revenues and transfers	3,140,701	-	3,140,701	3,130,500	3,130,500	10,201
Expenses and transfers						
Personal services	1,059,202	-	1,059,202	1,146,257	1,146,257	87,055
Contractual services	745,967	-	745,967	1,501,800	1,501,800	755,833
Commodities	160,573	-	160,573	188,250	188,250	27,677
Capital outlay	-	264,984	264,984	203,000	203,000	[61,984]
Depreciation	209,573	[209,573]	-	-	-	-
Miscellaneous	25,237	-	25,237	134,700	134,700	109,463
Transfer out	545,501	-	545,501	50,600	50,600	[494,901]
Total operating expenses and transfers	2,746,053	55,411	2,801,464	3,224,607	3,224,607	423,143
Change in net assets	394,648	\$ [55,411]	339,237	\$ [94,107]	\$ [94,107]	\$ 433,344
Net assets - Beginning of year	2,031,573		2,260,665			
Prior period adjustment	9,506		9,506			
Net assets - Beginning of year, restated	2,041,079		2,270,171			
Net assets - End of year	\$ 2,435,727		\$ 2,609,408			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES  
IN NET ASSETS - ACTUAL AND BUDGET  
SEWER UTILITY FUND  
For the Year Ended December 31, 2006

	GAAP	Adjustments	Budgetary	Budgeted Amounts		Variance with
	Basis	to Budgetary	Basis	Original	Final	Final Budget
		Basis				Positive
						[Negative]
Revenues and transfers						
Charges for services	\$ 3,245,787	\$ -	\$ 3,245,787	\$ 3,370,000	\$ 3,370,000	\$ [124,213]
Use of money and property	26,139	-	26,139	8,000	8,000	18,139
Contributed capital	205,002	[205,002]	-	-	-	-
Transfer in	151,176	-	151,176	-	-	151,176
Miscellaneous	7,548	-	7,548	6,000	6,000	1,548
Total revenues and transfers	<u>3,635,652</u>	<u>[205,002]</u>	<u>3,430,650</u>	<u>3,384,000</u>	<u>3,384,000</u>	<u>46,650</u>
Expenses and transfers						
Personal services	628,955	-	628,955	652,981	652,981	24,026
Contractual services	625,570	-	625,570	1,175,550	1,175,550	549,980
Commodities	77,905	-	77,905	109,750	109,750	31,845
Capital outlay	9,177	32,475	41,652	335,000	335,000	293,348
Debt service	333,410	-	333,410	367,700	367,700	34,290
Depreciation	1,229,594	[1,229,594]	-	-	-	-
Miscellaneous	21,034	-	21,034	723,900	723,900	702,866
Transfer out	754,195	-	754,195	150,000	150,000	[604,195]
Total operating expenses and transfers	<u>3,679,840</u>	<u>[1,197,119]</u>	<u>2,482,721</u>	<u>3,514,881</u>	<u>3,514,881</u>	<u>1,032,160</u>
Change in net assets	<u>[44,188]</u>	<u>\$ 992,117</u>	<u>947,929</u>	<u>\$ [130,881]</u>	<u>\$ [130,881]</u>	<u>\$ 1,078,810</u>
Net assets - Beginning of year	11,458,952		13,288,789			
Prior period adjustment	<u>6,800</u>		<u>6,800</u>			
Net assets - Beginning of year, restated	<u>11,465,752</u>		<u>13,295,589</u>			
Net assets - End of year	<u>\$ 11,421,564</u>		<u>\$ 14,243,518</u>			



CITY OF EMPORIA, KANSAS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES  
IN NET ASSETS - ACTUAL AND BUDGET  
WATER UTILITY FUND  
For the Year Ended December 31, 2006

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues and transfers						
Charges for services	\$ 4,535,342	\$ -	\$ 4,535,342	\$4,913,500	\$4,913,500	\$ [378,158]
Use of money and property	25,114	-	25,114	18,000	18,000	7,114
Miscellaneous	4,354	-	4,354	5,000	5,000	[646]
Total revenues and transfers	<u>4,564,810</u>	<u>-</u>	<u>4,564,810</u>	<u>4,936,500</u>	<u>4,936,500</u>	<u>[371,690]</u>
Expenses and transfers						
Personal services	648,324	-	648,324	723,027	723,027	74,703
Contractual services	1,219,480	-	1,219,480	1,833,300	1,833,300	613,820
Commodities	440,813	-	440,813	391,200	391,200	[49,613]
Capital outlay	100,944	-	100,944	365,000	365,000	264,056
Debt service	370,858	-	370,858	365,800	365,800	[5,058]
Depreciation	778,624	[778,624]	-	-	-	-
Miscellaneous	21,296	-	21,296	695,750	797,650	776,354
Loss on sale	14,040	[14,040]	-	-	-	-
Transfer out	802,320	-	802,320	-	-	[802,320]
Total operating expenses and transfers	<u>4,396,699</u>	<u>[792,664]</u>	<u>3,604,035</u>	<u>4,374,077</u>	<u>4,475,977</u>	<u>871,942</u>
Change in net assets	<u>168,111</u>	<u>\$ 792,664</u>	<u>960,775</u>	<u>\$ 562,423</u>	<u>\$ 460,523</u>	<u>\$ 500,252</u>
Net assets - Beginning of year	8,523,478		10,867,316			
Prior period adjustment	<u>[29,246]</u>		<u>[29,246]</u>			
Net assets - Beginning of year, restated	<u>8,494,232</u>		<u>10,838,070</u>			
Net assets - End of year	<u>\$ 8,662,343</u>		<u>\$ 11,798,845</u>			

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units on a cost reimbursement basis.

**Workers' Compensation Fund** - To account for contributions made by the City to be used for paying claims for job-related injuries.

**Employee Health Care Fund** - To account for contributions made by the City, City employees and former City employees to be used for payment of medical claims of covered participants and additional health insurance premiums.

CITY OF EMPORIA, KANSAS  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 December 31, 2006

	<u>Workers'</u> <u>Compensation</u>	<u>Employee</u> <u>Health</u> <u>Care</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 71,306	\$ 119,843	\$ 191,149
Investments	<u>946,759</u>	<u>248,884</u>	<u>1,195,643</u>
Total assets	<u>\$ 1,018,065</u>	<u>\$ 368,727</u>	<u>\$ 1,386,792</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts payable	\$ 14,188	\$ -	\$ 14,188
Unpaid claims	<u>404,267</u>	<u>59,195</u>	<u>463,462</u>
Total liabilities	418,455	59,195	477,650
<b>Net Assets</b>			
Unrestricted	<u>599,610</u>	<u>309,532</u>	<u>909,142</u>
Total liabilities and net assets	<u>\$ 1,018,065</u>	<u>\$ 368,727</u>	<u>\$ 1,386,792</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2006

	Workers' <u>Compensation</u>	Employee Health <u>Care</u>	<u>Total</u>
<b>Operating revenues</b>			
Charges for services	\$ 174,597	\$ 1,359,852	\$ 1,534,449
Miscellaneous	<u>1,617</u>	<u>-</u>	<u>1,617</u>
Total operating revenues	<u>176,214</u>	<u>1,359,852</u>	<u>1,536,066</u>
<b>Operating expenses</b>			
Cost of services	<u>379,269</u>	<u>1,758,017</u>	<u>2,137,286</u>
Total operating expenses	<u>379,269</u>	<u>1,758,017</u>	<u>2,137,286</u>
Operating income [loss]	[203,055]	[398,165]	[601,220]
<b>Nonoperating revenues [expenses]</b>			
Interest income	<u>50,472</u>	<u>23,610</u>	<u>74,082</u>
Changes in net assets	[152,583]	[374,555]	[527,138]
Net assets, January 1	<u>752,193</u>	<u>684,087</u>	<u>1,436,280</u>
Net assets, December 31	<u>\$ 599,610</u>	<u>\$ 309,532</u>	<u>\$ 909,142</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For the Year Ended December 31, 2006

	<u>Workers'</u> <u>Compensation</u>	<u>Employee</u> <u>Health</u> <u>Care</u>	<u>Total</u>
<b>Cash flows from operating activities</b>			
Cash received from participants	\$ 174,597	\$ 1,359,852	\$ 1,534,449
Cash paid to suppliers	[348,405]	[1,830,652]	[2,179,057]
Other operating receipts	<u>1,617</u>	<u>-</u>	<u>1,617</u>
Net cash provided by [used for] operating activities	<u>[172,191]</u>	<u>[470,800]</u>	<u>[642,991]</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments	1,070,959	647,557	1,718,516
Purchase of investments	[946,759]	[248,884]	[1,195,643]
Interest received	<u>50,472</u>	<u>23,610</u>	<u>74,082</u>
Net cash provided by [used for] investing activities	<u>174,672</u>	<u>422,283</u>	<u>596,955</u>
Net increase [decrease] in cash and cash equivalents	2,481	[48,517]	[46,036]
Cash and cash equivalents, January 1	<u>68,825</u>	<u>168,360</u>	<u>237,185</u>
Cash and cash equivalents, December 31	<u>\$ 71,306</u>	<u>\$ 119,843</u>	<u>\$ 191,149</u>
<b>Reconciliation of operating income [loss] to net cash provided by [used for] operating activities</b>			
Operating income [loss]	\$ [203,055]	\$ [398,165]	\$ [601,220]
Adjustments to reconcile operating income [loss] to net cash provided by [used for] operating activities			
Changes in assets and liabilities			
Increase [decrease] in claims payable	<u>30,864</u>	<u>[72,635]</u>	<u>[41,771]</u>
Net cash provided by [used for] operating activities	<u>\$ [172,191]</u>	<u>\$ [470,800]</u>	<u>\$ [642,991]</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS

TRUST AND AGENCY FUNDS

Trust funds are used to account for assets held by the City in a trustee capacity. Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and / or other funds.

**Tree Private Purpose Trust Fund** - To account for monies provided by private donors to finance planting of trees.

**Fremont Park Private Purpose Trust Fund** - To account for the money donated to the City for the purpose of building a display shelter for the railroad engine and caboose at Fremont Park.

**Las Casitas Park Private Purpose Trust Fund** - To account for monies provided by private donors to finance improvements to the Las Casitas Park.

**Economic Development Private Purpose Trust Fund** - To provide a financial resource which enhances the City's ability to attract new economic development projects by lending money to businesses that is repaid with interest. The fund was created with money generated by a Chamber of Commerce fund drive and money repaid to the City for state and federal grants.

**Fire Insurance Proceeds Agency Fund** - To account for a portion of insurance proceeds from fire and casualty losses to structures within the City. Proceeds are returned to property owners upon substantial completion of repairs or demolition of structure.

CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST  
December 31, 2006

	Private Purpose Trust				
	<u>Tree</u>	<u>Fremont Park</u>	<u>Las Casitas Park</u>	<u>Economic Development</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 2,246	\$ 82	\$ 413	\$ 469,908	\$ 472,649
Accrued interest receivable	-	-	-	1,842	1,842
Notes receivable	-	-	-	504,945	504,945
Total Assets	<u>\$ 2,246</u>	<u>\$ 82</u>	<u>\$ 413</u>	<u>\$ 976,695</u>	<u>\$ 979,436</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-
Net assets					
Reserved for economic development	-	-	-	976,695	976,695
Unreserved					
Undesignated	<u>2,246</u>	<u>82</u>	<u>413</u>	-	<u>2,741</u>
Total liabilities and net assets	<u>\$ 2,246</u>	<u>\$ 82</u>	<u>\$ 413</u>	<u>\$ 976,695</u>	<u>\$ 979,436</u>

See independent auditor's report on the financial statements.

CITY OF EMPORIA, KANSAS  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS - AGENCY FUND  
December 31, 2006

	Fire Insurance <u>Proceeds</u>
Assets	
Cash and cash equivalents	\$     14,816
Total Assets	<u>\$     14,816</u>
Liabilities	
Accounts payable	\$     14,816
Total Liabilities	<u>\$     14,816</u>

See independent auditor's report on the financial statements.



CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS

For the Year Ended December 31, 2006

	Private Purpose Trust				
	<u>Tree</u>	<u>Fremont Park</u>	<u>Las Casitas Park</u>	<u>Economic Development</u>	<u>Total</u>
Additions:					
Contributions and grants	\$ -	\$ 70	\$ -	\$ -	\$ 70
Interest income	<u>91</u>	<u>2</u>	<u>9</u>	<u>43,021</u>	<u>43,123</u>
Total Additions	91	72	9	43,021	43,193
Deductions	<u>-</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>600</u>
Change in net assets	91	72	[591]	43,021	42,593
Net assets, January 1	<u>2,155</u>	<u>10</u>	<u>1,004</u>	<u>933,674</u>	<u>936,843</u>
Net assets, December 31	<u>\$ 2,246</u>	<u>\$ 82</u>	<u>\$ 413</u>	<u>\$ 976,695</u>	<u>\$ 979,436</u>

See independent auditor's report on the financial statements.

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CITY OF EMPORIA, KANSAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND

For the Year Ended December 31, 2006

	Balance January 1, <u>2006</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2006</u>
Cash and cash equivalents	\$ 9,916	\$ 13,400	\$ 8,500	\$ 14,816
Total assets	\$ 9,916	\$ 13,400	\$ 8,500	\$ 14,816
Accounts payable	\$ 9,916	\$ 13,400	\$ 8,500	\$ 14,816
Total liabilities	\$ 9,916	\$ 13,400	\$ 8,500	\$ 14,816

See independent auditor's report on the basic financial statements.

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## STATISTICAL SECTION

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CITY OF EMPORIA, KANSAS  
NET ASSETS BY COMPONENT  
LAST FOUR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				
Invested in capital assets, net of related debt	\$ 97,810,646	\$ 90,115,362	\$ 82,349,192	\$ 75,354,567
Restricted	176,533	385,615	99,442	249,058
Unrestricted	<u>2,600,173</u>	<u>3,102,278</u>	<u>4,806,454</u>	<u>8,871,611</u>
Total governmental activities net assets	<u>\$ 100,587,352</u>	<u>\$ 93,603,255</u>	<u>\$ 87,255,088</u>	<u>\$ 84,475,236</u>
Business-type Activities:				
Invested in capital assets, net of related debt	\$ 21,896,814	\$ 21,030,184	\$ 20,188,141	\$ 19,704,708
Unrestricted	<u>1,388,623</u>	<u>2,298,165</u>	<u>1,825,862</u>	<u>2,814,926</u>
Total business type activities net assets	<u>\$ 23,285,437</u>	<u>\$ 23,328,349</u>	<u>\$ 22,014,003</u>	<u>\$ 22,519,634</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 119,707,460	\$ 111,145,546	\$ 102,537,333	\$ 95,059,275
Restricted	176,533	385,615	99,442	249,058
Unrestricted	<u>3,988,796</u>	<u>5,400,443</u>	<u>6,632,316</u>	<u>11,686,537</u>
Total primary government net assets	<u>\$ 123,872,789</u>	<u>\$ 116,931,604</u>	<u>\$ 109,269,091</u>	<u>\$ 106,994,870</u>

Note: Data became available with the inception of GASB 34 during fiscal year 2003, therefore 10 years of data is unavailable.

Source: City of Emporia, Kansas Basic Financial Statements.

TABLE 2  
UNAUDITED

CITY OF EMPORIA, KANSAS  
  
CHANGES IN NET ASSETS  
LAST FOUR YEAR  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
Expenses				
Governmental activities:				
General government	\$ 3,675,713	\$ 3,667,468	\$ 3,661,655	\$ 4,646,991
Public safety	7,478,861	7,920,078	8,735,530	7,995,365
Highways and streets	8,271,956	8,147,882	8,174,128	8,099,622
Culture and recreation	2,517,403	2,693,563	2,779,900	2,315,915
Health and environment	66,180	66,672	65,539	61,205
Building maintenance	879,993	1,006,234	940,398	893,474
Planning and development	1,088,645	1,485,859	1,385,571	1,264,408
Airport operations	469,632	518,685	538,347	384,315
Interest on long-term debt	988,069	1,097,258	1,067,693	1,100,521
Total governmental activities expenses	<u>25,436,452</u>	<u>26,603,699</u>	<u>27,348,761</u>	<u>26,761,816</u>
Business-type activities:				
Solid waste disposal	2,287,948	2,434,993	2,561,538	2,200,552
Sewer utility	1,715,958	2,224,003	3,077,282	2,929,858
Water utility	3,684,072	3,503,268	3,491,982	3,580,339
Total business-type activities	<u>7,687,978</u>	<u>8,162,264</u>	<u>9,130,802</u>	<u>8,710,749</u>
Total primary government expenses	<u>\$ 33,124,430</u>	<u>\$ 34,765,963</u>	<u>\$ 36,479,563</u>	<u>\$ 35,472,565</u>
Program Revenues				
Governmental activities:				
Charges for services	\$ 3,294,809	\$ 4,200,665	\$ 3,736,026	\$ 4,230,979
Operating grants and contributions	2,663,943	2,098,470	2,478,260	2,551,256
Total governmental activities program revenues	<u>5,958,752</u>	<u>6,299,135</u>	<u>6,214,286</u>	<u>6,782,235</u>
Business-type activities:				
Charges for services	9,536,218	9,975,459	9,976,335	10,803,039
Capital grants and contributions	-	-	164,214	205,002
Total business-type activities program revenues	<u>9,536,218</u>	<u>9,975,459</u>	<u>10,140,549</u>	<u>11,008,041</u>
Total primary government program revenues	<u>\$ 15,494,970</u>	<u>\$ 16,274,594</u>	<u>\$ 16,354,835</u>	<u>\$ 17,790,276</u>
Net [expense]/revenue				
Governmental activities	\$ [19,477,700]	\$ [20,304,564]	\$ [21,134,475]	\$ [19,979,581]
Business-type activities	1,848,240	1,813,195	1,009,747	2,297,292
Total primary government net expense	<u>\$ [17,629,460]</u>	<u>\$ [18,491,369]</u>	<u>\$ [20,124,728]</u>	<u>\$ [17,682,289]</u>
General revenues and other changes in net assets				
Governmental activities:				
Taxes	\$ 10,570,695	\$ 11,627,273	\$ 11,668,957	\$ 12,390,698
Investment earnings	154,282	170,491	231,223	433,320
Miscellaneous	152,951	152,533	268,970	472,137
Transfers	2,094,937	2,040,880	2,566,496	1,950,840
Total governmental activities	<u>12,972,865</u>	<u>13,991,177</u>	<u>14,735,646</u>	<u>15,246,995</u>
Business-type activities:				
Investment earnings	135,272	92,389	50,789	64,197
Miscellaneous	84,322	178,208	191,614	107,922
Transfers	[2,094,937]	[2,040,880]	[2,566,496]	[1,950,840]
Total business-type activities	<u>[1,875,343]</u>	<u>[1,770,283]</u>	<u>[2,324,093]</u>	<u>[1,778,721]</u>
Total primary government	<u>\$ 11,097,522</u>	<u>\$ 12,220,894</u>	<u>\$ 12,411,553</u>	<u>\$ 13,468,274</u>
Change in net assets				
Governmental activities	\$ [6,504,835]	\$ [6,313,387]	\$ [6,398,829]	\$ [4,732,586]
Business-type activities	[27,103]	42,912	[1,314,346]	518,571
Total primary government	<u>\$ [6,531,938]</u>	<u>\$ [6,270,475]</u>	<u>\$ [7,713,175]</u>	<u>\$ [4,214,015]</u>

Note: Data became available with the inception of GASB 34 during fiscal year 2003, therefore 10 years of data is unavailable.

Source: City of Emporia, Kansas Basic Financial Statements.

TABLE 3  
UNAUDITED

CITY OF EMPORIA, KANSAS  
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
LAST FOUR YEARS  
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Motor Vehicle Tax</u>	<u>Total</u>
2003	\$ 5,279,791	\$ 3,712,601	\$ 907,308	\$ 670,995	\$ 10,570,695
2004	6,036,903	3,854,759	992,036	743,575	11,627,273
2005	5,812,138	3,997,182	1,060,262	799,375	11,668,957
2006	6,218,970	4,032,795	1,372,059	766,874	12,390,698

Note: Data became available with the inception of GASB 34 during fiscal year 2003,  
therefore 10 years of data is unavailable.

Source: City of Emporia, Kansas Basic Financial Statements.

TABLE 4  
UNAUDITED

CITY OF EMPORIA, KANSAS  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>1997</u>	<u>1998</u>	<u>1999</u>
General fund			
Reserved	\$ 12,505	\$ 138,201	\$ 103,517
Unreserved	<u>231,023</u>	<u>469,434</u>	<u>350,867</u>
Total general fund	<u>\$ 243,528</u>	<u>\$ 607,635</u>	<u>\$ 454,384</u>
All other governmental funds			
Reserved	\$ 698,403	\$ 594,261	\$ 1,912,150
Unreserved, reported in:			
Special revenue funds	801,924	1,794,214	87,853
Debt service funds	286,362	238,518	147,400
Capital projects funds	<u>[415,162]</u>	<u>[262,614]</u>	<u>[10,141]</u>
Total all other governmental funds	<u>\$ 1,371,527</u>	<u>\$ 2,364,379</u>	<u>\$ 2,137,262</u>

Source: City of Emporia, Kansas Basic Financial Statements.



TABLE 4  
UNAUDITED

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 11,450	\$ 34,748	\$ 22,503	\$ 831	\$ -	\$ -	\$ 53,991
<u>59,035</u>	<u>29,299</u>	<u>369,807</u>	<u>385,191</u>	<u>883,809</u>	<u>906,267</u>	<u>1,346,381</u>
<u>\$ 70,485</u>	<u>\$ 64,047</u>	<u>\$ 392,310</u>	<u>\$ 386,022</u>	<u>\$ 883,809</u>	<u>\$ 906,267</u>	<u>\$ 1,400,372</u>
\$ 1,928,015	\$ 1,600,936	\$ 126,396	\$ 8,935	\$ -	\$ -	\$ -
445,693	426,778	2,056,323	1,989,329	1,164,245	1,329,900	1,919,585
100,916	247,620	24,843	176,533	385,615	99,442	249,058
<u>2,188,816</u>	<u>3,767,233</u>	<u>2,132,896</u>	<u>[148,050]</u>	<u>459,924</u>	<u>1,949,760</u>	<u>5,427,142</u>
<u>\$ 4,663,440</u>	<u>\$ 6,042,567</u>	<u>\$ 4,340,458</u>	<u>\$ 2,026,747</u>	<u>\$ 2,009,784</u>	<u>\$ 3,379,102</u>	<u>\$ 7,595,785</u>

TABLE 5  
UNAUDITED

CITY OF EMPORIA, KANSAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>1997</u>	<u>1998</u>	<u>1999</u>
Revenues			
Taxes	\$ 7,886,345	\$ 8,511,816	\$ 8,693,691
Charges for services	845,455	968,128	943,273
Special assessments	214,847	200,285	178,408
Intergovernmental	2,294,734	2,501,046	2,276,576
Licenses and permits	150,857	150,950	244,057
Fines and fees	661,329	628,657	575,612
Use of money and property	141,262	208,668	281,706
Contributions	4,142	-	106,030
Miscellaneous	233,177	268,791	152,189
Total revenues	<u>12,432,148</u>	<u>13,438,341</u>	<u>13,451,542</u>
Expenditures			
General government	951,518	1,138,486	789,188
Public safety	5,485,494	5,943,878	6,174,744
Highways and streets	1,727,988	1,341,571	1,276,783
Culture and recreation	1,621,377	1,668,775	1,804,195
Health and environment	104,732	139,527	146,564
Building maintenance	444,774	589,991	631,561
Planning and development	2,261,564	609,637	1,535,910
Airport operations	324,244	360,471	337,579
Capital outlay	2,533,224	2,671,042	2,376,062
Debt service			
Principal	812,500	1,027,473	1,241,736
Interest and other charges	529,675	599,766	650,833
Total expenditures	<u>16,797,090</u>	<u>16,090,617</u>	<u>16,965,155</u>
Excess of revenues over/[under] expenditures	<u>[4,364,942]</u>	<u>[2,652,276]</u>	<u>[3,513,613]</u>
Other financing sources [uses]			
Transfers in	1,951,357	2,327,400	3,073,121
Transfers out	[1,045,884]	[955,561]	[1,705,488]
Payment to refund bonds	-	-	-
Sale of bonds	2,049,999	2,055,000	1,765,612
Total other financing sources [uses]	<u>2,955,472</u>	<u>3,426,839</u>	<u>3,133,245</u>
Net change in fund balances	<u>\$ [1,409,470]</u>	<u>\$ 774,563</u>	<u>\$ [380,368]</u>
Debt service as a percentage of noncapital expenditures	9.41%	12.13%	12.97%

Source: City of Emporia, Kansas Basic Financial Statements.

TABLE 5  
UNAUDITED

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 9,249,638	\$ 9,622,700	\$ 10,000,954	\$ 10,429,929	\$ 11,545,148	\$ 11,610,647	\$ 12,324,809
1,030,672	944,841	1,001,003	1,215,208	1,664,767	1,380,037	1,744,253
283,929	397,346	343,853	140,766	82,125	58,310	65,889
2,167,080	2,025,811	3,435,257	2,650,278	2,092,293	2,472,129	2,442,244
239,039	252,453	230,372	223,767	222,834	236,014	287,456
662,477	694,922	904,089	609,956	846,047	704,566	663,204
514,566	381,632	207,397	139,577	152,792	182,814	359,238
50,504	13,280	1,180,864	13,665	6,177	6,131	825
135,358	170,842	237,816	152,258	149,850	268,970	472,137
<u>14,333,263</u>	<u>14,503,827</u>	<u>17,541,605</u>	<u>15,575,404</u>	<u>16,762,033</u>	<u>16,919,618</u>	<u>18,360,055</u>
988,077	903,816	1,599,225	2,002,363	1,697,194	1,723,621	1,892,612
6,517,168	6,729,779	7,022,651	7,244,197	7,633,408	8,444,565	7,523,946
945,181	1,428,172	1,614,230	1,265,207	1,575,987	1,587,864	1,357,344
1,785,406	1,853,974	2,002,345	1,862,663	2,021,225	2,098,537	2,054,308
63,600	63,600	59,010	66,180	66,672	65,539	61,205
613,362	688,741	737,577	790,025	903,207	839,482	827,882
1,367,275	1,288,605	1,254,285	1,088,645	1,485,858	1,385,571	1,164,397
403,835	370,985	327,488	290,382	345,189	364,066	384,316
2,659,475	5,983,369	7,574,461	4,630,990	1,873,304	1,583,078	2,250,940
1,571,162	1,287,276	1,540,882	1,244,835	1,469,713	2,001,186	1,848,559
701,711	643,332	1,171,256	1,026,653	1,075,217	1,073,492	1,078,698
<u>17,616,252</u>	<u>21,241,649</u>	<u>24,903,410</u>	<u>21,512,140</u>	<u>20,146,974</u>	<u>21,167,001</u>	<u>20,444,207</u>
<u>[3,282,989]</u>	<u>[6,737,822]</u>	<u>[7,361,805]</u>	<u>[5,936,736]</u>	<u>[3,384,941]</u>	<u>[4,247,383]</u>	<u>[2,084,152]</u>
2,831,013	3,446,018	4,169,969	3,252,994	3,518,373	3,841,246	3,860,551
[1,734,432]	[1,785,507]	[1,907,356]	[1,158,057]	[1,477,493]	[1,274,750]	[1,909,711]
-	-	-	[110,000]	[1,185,000]	-	-
<u>4,328,687</u>	<u>6,450,000</u>	<u>3,725,346</u>	<u>1,631,800</u>	<u>3,465,000</u>	<u>3,022,000</u>	<u>4,820,000</u>
<u>5,425,268</u>	<u>8,110,511</u>	<u>5,987,959</u>	<u>3,616,737</u>	<u>4,320,880</u>	<u>5,588,496</u>	<u>6,770,840</u>
<u>\$ 2,142,279</u>	<u>\$ 1,372,689</u>	<u>\$ [1,373,846]</u>	<u>\$ [2,319,999]</u>	<u>\$ 935,939</u>	<u>\$ 1,341,113</u>	<u>\$ 4,686,688</u>
15.20%	12.65%	15.65%	13.46%	13.93%	15.70%	16.09%

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TABLE 6  
UNAUDITED

CITY OF EMPORIA, KANSAS  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Motor Fuel Tax</u>	<u>Total</u>
1997	\$ 3,215,191	\$ 3,166,576	\$ 793,366	\$ 711,212	\$ 7,886,345
1998	3,449,282	3,533,338	806,214	722,982	8,511,816
1999	3,659,119	3,604,402	794,560	635,610	8,693,691
2000	4,105,956	3,706,938	830,254	606,490	9,249,638
2001	4,245,961	3,826,968	934,719	615,052	9,622,700
2002	4,650,010	3,779,416	911,158	660,370	10,000,954
2003	5,609,562	3,712,601	907,308	744,078	10,973,549
2004	5,954,778	3,854,759	992,036	743,575	11,545,148
2005	5,753,828	3,997,182	1,060,262	799,375	11,610,647
2006	6,153,081	4,032,795	1,372,059	766,874	12,324,809

Source: City of Emporia, Kansas Basic Financial Statements.

TABLE 7  
UNAUDITED

CITY OF EMPORIA, KANSAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS

Fiscal Year Ended <u>December 31,</u>	Real Property		Personal Property	
	Residential <u>Property - 1</u>	Commercial <u>Property - 1</u>	Motor <u>Vehicles - 2</u>	<u>Other - 1</u>
1997	\$ 64,126,400	\$ 15,152,800	\$ 19,847,500	\$ 1,962,000
1998	66,353,500	15,286,400	19,806,500	1,971,000
1999	75,899,700	15,796,900	19,986,000	1,022,000
2000	76,375,900	18,175,000	19,989,300	1,120,000
2001	83,230,400	17,807,800	19,517,800	2,850,000
2002	93,952,600	19,060,600	20,866,000	4,163,000
2003	103,881,400	18,650,300	21,176,100	125,000
2004	95,122,800	19,083,100	21,704,600	973,000
2005	100,577,500	21,257,000	21,590,000	549,000
2006	106,044,300	22,987,100	21,849,600	2,773,000

Note 1 - Lyon County Appraiser

Note 2 - Lyon County Clerk

TABLE 7  
UNAUDITED

Less Tax Exempt <u>Real Property - 1</u>	Total Taxable Assessed <u>Value</u>	Total Direct Tax <u>Rate - 2</u>	Estimated Actual Taxable <u>Value</u>	Assessed Value as a Percentage of <u>Actual Value</u>
\$ 975,000	\$ 100,113,700	35.332	\$ 581,828,300	17.21%
2,080,000	101,337,400	35.327	562,339,000	18.02%
4,109,000	108,595,600	36.283	605,629,700	17.93%
2,626,000	113,034,200	36.124	590,850,500	19.13%
4,412,000	118,994,000	35.882	663,678,000	17.93%
6,788,000	131,254,200	38.397	730,047,700	17.98%
9,074,000	134,758,800	42.062	760,455,400	17.72%
3,572,000	133,311,500	41.258	800,452,000	16.65%
4,993,000	138,980,500	41.157	852,801,400	16.30%
4,772,000	148,882,000	40.956	890,406,000	16.72%

TABLE 8  
UNAUDITED

CITY OF EMPORIA, KANSAS  
  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS

Fiscal Year	City of Emporia Kansas			Lyon County			USD 253			Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total County Millage	
1997	28.047	7.285	35.332	43.270	0.728	43.998	40.077	5.122	45.199	124.529
1998	28.210	7.117	35.327	43.129	2.659	45.788	38.035	4.706	42.741	123.856
1999	26.205	10.078	36.283	46.017	1.756	47.773	40.233	4.870	45.103	129.159
2000	25.662	10.462	36.124	38.866	1.615	40.481	42.607	4.837	47.444	124.049
2001	25.848	10.034	35.882	43.699	1.893	45.592	43.886	17.223	61.109	142.583
2002	28.544	9.853	38.397	44.879	1.083	45.962	40.123	21.037	61.160	145.519
2003	29.839	12.223	42.062	47.685	0.502	48.187	43.989	16.224	60.213	150.462
2004	30.511	10.747	41.258	50.077	0.969	51.046	48.130	9.591	57.721	150.025
2005	28.859	12.298	41.157	50.165	0.768	50.933	45.060	11.324	56.384	148.474
2006	28.453	12.503	40.956	49.656	0.890	50.546	44.849	9.986	54.835	146.337

Overlapping rates are those of local and county government that apply to property owners within the City of Emporia. Not all overlapping rates apply to all Emporia property owners.

Source: Lyon County Clerk



TABLE 9  
UNAUDITED

CITY OF EMPORIA, KANSAS  
PRINCIPAL PROPERTY TAXPAYERS  
DECEMBER 31, 2006

Taxpayer	2006			1997		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Iowa Beef/ Tyson Fresh Meats	\$ 4,330,340	1	3.624%	\$ 1,777,060	4	1.892%
Westar Energy (Electric Div)	4,067,597	2	3.404%	6,269,409	1	6.677%
Menu Pet Food	3,233,419	3	2.706%	-		
Southwestern Bell	2,301,621	4	1.926%	3,839,251	2	4.089%
Emporia ROS/ WalMart	2,042,211	5	1.709%	-		
Bunge North America	1,762,317	6	1.475%	1,509,617	5	1.608%
Kansas Gas Service	1,374,260	7	1.150%	-		
Interstate Brands	1,341,440	8	1.123%	1,065,981	8	1.135%
Emporia Partners	1,170,673	9	0.980%	-		
Emporia Wholesale Coffee	1,132,592	10	0.948%	-		
Panhandle Eastern Pipeline	-		0.000%	3,573,047	3	3.805%
Didde Corporation	-		0.000%	1,323,859	6	1.410%
Willaims Natural Gas	-		0.000%	1,166,593	7	1.242%
Atchinson, Topeka and Santa Fe	-		0.000%	886,920	9	0.945%
Equitable Life	-		0.000%	873,438	10	0.930%
Totals	<u>\$ 22,756,470</u>		<u>19.045%</u>	<u>\$ 22,285,174</u>		<u>23.733%</u>

Source: Lyon County Treasurer

TABLE 10  
UNAUDITED

CITY OF EMPORIA, KANSAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

Fiscal Year Ended <u>December 31,</u>	Total Tax Levy for <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		Collections in Subsequent <u>Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
1997	\$ 3,298,036	\$ 3,205,126	97.183%	\$ [16,113] (1)	\$ 3,189,013	96.694%
1998	3,549,552	3,431,328	96.669%	55,294	3,486,622	98.227%
1999	3,937,947	3,521,189	89.417%	59,357	3,580,546	90.924%
2000	4,099,136	3,841,308	93.710%	41,556	3,882,864	94.724%
2001	4,417,433	3,956,498	89.566%	42,829	3,999,327	90.535%
2002	4,980,869	4,284,854	86.026%	80,801	4,365,655	87.648%
2003	5,406,369	4,808,654	88.944%	72,483	4,881,137	90.285%
2004	5,524,098	5,274,464	95.481%	67,114	5,341,578	96.696%
2005	6,016,595	5,329,513	88.580%	93,220	5,422,733	90.130%
2006	6,054,145	5,624,603	92.905%	148,472	5,773,075	95.357%

(1) Taxes paid under protest in prior years that were refunded to taxpayers during the current year.

Source: City of Emporia Treasurer

TABLE 11  
UNAUDITED

CITY OF EMPORIA, KANSAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income - 1	Per Capita - 1
	General Obligation Bonds	Temporary Notes	Loans Payable	Capital Leases	Revenue Bonds	Notes Payable	General Obligation Bonds	Capital Leases			
1997	\$11,090,000	\$ -	\$ -	\$23,590	\$6,000,000	\$ -	\$5,045,000	\$18,726	\$22,177,316	4.39%	\$ 869
1998	12,226,250	-	-	17,361	-	-	10,179,214	13,696	22,436,521	4.26%	879
1999	12,843,950	-	-	10,962	-	2,467,589	9,856,050	7,861	25,186,412	4.82%	987
2000	16,031,755	-	-	244,686	-	7,318,886	9,003,245	2,026	32,600,598	5.81%	1,218
2001	21,204,265	-	-	193,579	-	7,363,719	8,330,730	-	37,092,293	6.57%	1,386
2002	23,614,730	-	-	142,472	-	13,338,218	7,525,270	-	44,620,690	7.87%	1,667
2003	23,906,800	-	-	86,856	-	15,255,430	6,453,200	-	45,702,286	7.95%	1,708
2004	24,320,600	420,000	192,083	30,178	-	15,063,089	5,989,400	-	46,015,350	7.94%	1,720
2005	25,785,400	-	168,098	-	-	14,343,737	5,554,600	-	45,851,835	7.91%	1,713
2006	23,961,309	4,820,000	143,630	-	-	13,650,842	4,928,691	-	47,504,472	8.13%	1,775

Note 1 - See the Schedule of Demographic and Economic Statistics at Table 16 for personal income and population data.

Note - Details regarding the City's outstanding debt can be found in the notes to the financial statements.

TABLE 12  
UNAUDITED

CITY OF EMPORIA, KANSAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net Bonded Debt	Percentage Estimated Annual Taxable Value of Property - 1	Per Capita - 2
1997	\$ 11,090,000	\$ 286,362	\$ 10,803,638	10.791%	\$ 423
1998	12,226,250	238,518	11,987,732	11.830%	470
1999	12,843,950	147,400	12,696,550	11.692%	498
2000	16,031,755	100,916	15,930,839	14.094%	595
2001	21,204,265	247,620	20,956,645	17.612%	783
2002	23,614,730	24,843	23,589,887	17.973%	882
2003	23,906,800	208,172	23,698,628	17.586%	886
2004	24,320,600	391,321	23,929,279	17.950%	894
2005	25,785,400	105,875	25,679,525	18.477%	960
2006	23,961,309	253,874	23,707,435	15.924%	886

Note: Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

Note 1 - See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property at Table 7 for property value data.

Note 2 - Population data can be found in the Schedule of Demographic and Economic Statistics at Table 16.

CITY OF EMPORIA, KANSAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2006

<u>Governmental Unit</u>	<u>Debt Outstanding - Paid With Property Taxes</u>	<u>Percentage Applicable to City of Emporia</u>	<u>Amount Applicable to City of Emporia</u>
City of Emporia, Kansas - Direct	\$ 28,924,939	100.000%	\$ 28,924,939
Unified School District #253 - Overlapping	38,410,000	87.197%	33,492,368
Lyon County, Kansas - Overlapping	14,245,000	63.085%	<u>8,986,458</u>
Total direct and overlapping debt			<u>\$ 71,403,765</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the overlapping debt of those overlapping governments that is borne by the resident and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also applied to the other debt of the overlapping governmental units.

Source: Lyon County Clerk

TABLE 14  
UNAUDITED

CITY OF EMPORIA, KANSAS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Debt Limit	\$ 30,033,990	\$ 30,401,220	\$ 32,578,680	\$ 33,910,260
Total net debt applicable to limit	<u>10,803,638</u>	<u>11,987,732</u>	<u>12,696,550</u>	<u>15,930,839</u>
Legal debt margin	<u>\$ 19,230,352</u>	<u>\$ 18,413,488</u>	<u>\$ 19,882,130</u>	<u>\$ 17,979,421</u>
Total net debt applicable to the limit as a percentage of debt limit	35.97%	39.43%	38.97%	46.98%

Note: Under State finance law, the City's outstanding general obligation debt should not exceed 30 percent of the total assessed property value.

Source: Assessed valuation from Lyon County Appraiser

TABLE 14  
UNAUDITED

Fiscal Year					
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 35,698,200	\$ 39,376,260	\$ 40,427,640	\$ 39,993,450	\$ 41,694,150	\$ 44,225,583
<u>20,956,645</u>	<u>23,589,887</u>	<u>23,698,628</u>	<u>23,929,279</u>	<u>25,679,525</u>	<u>23,707,435</u>
<u>\$ 14,741,555</u>	<u>\$ 15,786,373</u>	<u>\$ 16,729,012</u>	<u>\$ 16,064,171</u>	<u>\$ 16,014,625</u>	<u>\$ 20,518,148</u>
58.71%	59.91%	58.62%	59.83%	61.59%	53.61%

Legal Debt Margin Calculation for the Fiscal Year

2006

Assessed value	<u>\$ 147,418,610</u>
Debt limit (30% of total assessed value)	<u>\$ 44,225,583</u>
Debt applicable to limit:	
General obligation bonds	23,961,309
Less: amount set aside for repayment of general obligation debt	<u>253,874</u>
Total net debt applicable to limit	<u>23,707,435</u>
Legal debt margin	<u>\$ 20,518,148</u>

TABLE 15  
UNAUDITED

CITY OF EMPORIA, KANSAS  
PLEDGED-REVENUE COVERAGE  
LAST TEN YEARS

Fiscal Year	Water & Sewer Revenue Bonds						
	Sewer & Water Charges and Other	Less Operating Expenses - 1	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
1997	\$ 3,337,956	\$ 2,109,170	\$ 1,228,786	\$ 372,500	\$ 476,016	\$ 848,516	1.4482
1998 - 2	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-

Note 1 - Total expenses exclusive of depreciation and debt service.

Note 2 - No debt service requirements as all revenue bonds were defeased by 1998.



CITY OF EMPORIA, KANSAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

Fiscal Year	Population - 1	Personal Income (amounts expressed in thousands)	Per Capita Personal Income - 2	Median Age - 2	Education Level in Years of Formal Schooling - 2	School Enrollment - 3	Unemployment Rate - 2
1997	25,512	\$ 505,648	\$ 19,820	36.2	14.5	5,772	2.6%
1998	25,512	526,619	20,642	36.3	14.5	5,419	2.7%
1999	25,512	522,282	20,472	36.8	14.6	5,610	2.8%
2000	26,760	561,077	20,967	36.6	14.3	5,616	2.7%
2001	26,760	564,315	21,088	36.5	14.5	5,823	3.7%
2002	26,760	567,071	21,191	36.8	14.6	6,005	3.7%
2003	26,760	574,698	21,476	36.7	14.6	6,011	4.0%
2004	26,760	579,702	21,663	36.9	14.7	6,194	4.3%
2005	26,760	579,943	21,672	37.0	14.7	6,192	4.1%
2006	26,760	584,438	21,840	37.1	15.0	6,201	3.6%

Note 1 - Data From U.S. Census Information

Note 2 - Data From Kansas Department of Labor Lyon County Statistics

Note 3 - Data Obtained From Various Education Entities in Emporia

TABLE 17  
UNAUDITED

CITY OF EMPORIA, KANSAS  
PRINCIPAL EMPLOYERS  
DECEMBER 31, 2006 AND NINE YEARS AGO

<u>Employer</u>	2006			1997		
	<u>Employees</u>	<u>Rank</u>	Percentage of Total County <u>Employment</u>	<u>Employees</u>	<u>Rank</u>	Percentage of Total County <u>Employment</u>
Tyson Fresh Meats	2,439	1	9.11%	2,600	1	10.19%
U.S.D. #253	802	2	3.00%	1,140	3	4.47%
Emporia State University	771	3	2.88%	1,500	2	5.88%
Interstate Brands	618	4	2.31%	725	4	2.84%
Newman Regional Health	549	5	2.05%	511	5	2.00%
Menu Foods Midwest	476	6	1.78%	-		0.00%
City of Emporia Kansas	270	7	1.01%	280	10	1.10%
Lyon County	270	8	1.01%	-		0.00%
Hopkins Manufacturing	270	9	1.01%	455	6	1.78%
Wal-Mart Super Center	245	10	0.92%	300	9	1.18%
Modine Manufacturing	-		0.00%	400	7	1.57%
Didde Corporation	-		0.00%	318	8	1.25%
	<u>6,710</u>		<u>25.07%</u>	<u>8,229</u>		<u>32.26%</u>

Data from Emporia Chamber of Commerce

TABLE 18  
UNAUDITED

CITY OF EMPORIA, KANSAS

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN YEARS

Function	Full-Time Equivalent Employees as of December 31									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government	34	34	35	35	37	34	32	32	32	37
Public Safety										
Officers	44	45	46	47	44	48	45	48	45	48
Civilians	20	21	21	21	29	20	21	24	21	23
Fire										
Firefighters and Officers	45	45	45	47	48	45	46	48	46	48
Civilians	1	1	1	1	1	1	1	1	1	1
Highways and Streets										
Engineering	5	5	5	5	5	6	5	7	5	7
Maintenance	13	13	13	11	15	16	16	11	11	11
Sanitation	24	27	28	28	28	32	28	30	28	31
Culture and Recreation	29	30	32	34	28	29	29	30	34	28
Water	20	20	20	19	20	21	19	17	19	18
Sewer	<u>14</u>	<u>14</u>	<u>14</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>12</u>	<u>13</u>	<u>12</u>
Total	<u>249</u>	<u>255</u>	<u>260</u>	<u>261</u>	<u>268</u>	<u>265</u>	<u>255</u>	<u>260</u>	<u>255</u>	<u>264</u>

Source: City of Emporia Human Resources Department

TABLE 19  
UNAUDITED

CITY OF EMPORIA, KANSAS  
OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS

Function	<u>1997</u>	<u>1998</u>	<u>1999</u>
Police			
Physical arrests - 1	2,041.00	2,192.00	2,273.00
Parking violations - 1	860.00	944.00	9,081.00
Traffic violations - 1	6,510.00	5,211.00	5,170.00
Fire			
Number of calls answered - 2			
Inspections - 2	NA	NA	417.00
Highways and streets			
Street resurfacing (miles) - 3	4.83	4.79	4.52
Potholes repaired - 4	100.00	60.00	70.00
Sanitation			
Refuse collected (tons/day) - 5	126.40	144.00	117.89
Recyclables collected (tons/day) - 5	5.77	5.70	6.13
Water			
New connections - 6	173.00	173.00	173.00
Water main breaks - 6	66.00	62.00	39.00
Average daily consumption (thousands of gallons) - 7	2,790.00	2,753.00	2,825.00
Wastewater			
Average Daily Treatment Capacity (thousands of gallons) - 8	2,179.00	2,180.00	2,183.00

Note 1 - City of Emporia Police Department

Note 2 - City of Emporia Fire Department

Note 3 - City of Emporia Engineering Department

Note 4 - City of Emporia Street Department

Note 5 - City of Emporia Solid Waste Department

Note 6 - City of Emporia Public Works Department

Note 7 - City of Emporia Water Department

Note 8 - City of Emporia Wastewater Department

TABLE 19  
UNAUDITED

Fiscal Year						
<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
2,195.00	2,095.00	2,341.00	1,961.00	2,008.00	1,952.00	1,859.00
7,338.00	7,853.00	6,535.00	5,840.00	7,289.00	6,308.00	6,355.00
5,140.00	5,026.00	5,415.00	4,991.00	5,075.00	4,788.00	4,969.00
1,008.00	848.00	1,004.00	1,045.00	1,614.00	1,067.00	980.00
4.64	4.01	5.00	4.81	4.79	4.80	4.82
70.00	55.00	80.00	80.00	78.00	95.00	100.00
122.89	130.89	142.27	134.83	127.14	142.04	133.09
6.00	6.52	6.46	6.98	6.21	6.04	6.71
173.00	173.00	173.00	173.00	173.00	173.00	173.00
49.00	43.00	88.00	84.00	61.00	57.00	63.00
2,913.00	2,942.00	3,160.00	2,686.00	3,195.00	2,671.00	2,859.00
2,186.00	2,187.00	2,190.00	2,003.00	2,192.00	2,002.00	2,200.00

TABLE 20  
UNAUDITED

CITY OF EMPORIA, KANSAS  
CAPITAL ASST STATISTICS BY FUNCTION  
LAST TEN YEARS

<u>Function</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Public Safety			
Police			
Stations	1.00	1.00	1.00
Patrol Units - 1	21.00	21.00	21.00
Fire Stations	2.00	2.00	2.00
Sanitation			
Collection Trucks - 2	11.00	11.00	11.00
Highways and Streets			
Streets (miles) - 3	156.00	157.00	160.00
Traffic Signals - 4	62.00	64.00	65.00
Culture and Recreation			
Parks Acreage - 5	249.50	249.50	249.50
Parks - 5	17.00	17.00	17.00
Swimming Pools	2.00	2.00	2.00
Tennis Courts - 5	6.00	6.00	6.00
Community Centers	1.00	1.00	1.00
Water			
Water Main (miles) - 3	173.00	173.00	173.00
Fire Hydrants - 6	887.00	888.00	888.00
Maximum Daily Capacity (thousands of gallons) - 7	2,699.00	2,913.00	2,899.00
Sewer			
Sanitary Sewers (miles) - 3	138.00	138.00	138.00
Storm Sewers (miles) - 3	56.00	56.00	56.00
Maximum Daily Treatment Capacity (thousands of gallons) - 8	5,997.00	5,997.00	5,997.00

Note 1 - City of Emporia Police Department  
Note 2 - City of Emporia Sanitation Department  
Note 3 - City of Emporia Engineering Department  
Note 4 - City of Emporia Public Works Department  
Note 5 - City of Emporia Parks Department  
Note 6 - City of Emporia Fire Department  
Note 7 - City of Emporia Water Department  
Note 8 - City of Emporia Wastewater Department

TABLE 20  
UNAUDITED

Fiscal Year						
<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
1.00	1.00	1.00	1.00	1.00	1.00	1.00
21.00	21.00	21.00	22.00	22.00	24.00	23.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00
11.00	11.00	11.00	11.00	11.00	11.00	11.00
160.00	161.00	167.00	167.00	167.00	167.00	
66.00	68.00	69.00	71.00	72.00	74.00	75.00
325.16	341.22	357.28	357.28	357.28	325.16	325.16
18.00	19.00	20.00	20.00	20.00	20.00	18.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00
6.00	6.00	6.00	6.00	6.00	6.00	6.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00
173.00	173.00	173.00	173.00	173.00	173.00	173.00
890.00	890.00	892.00	897.00	897.00	899.00	902.00
3,017.00	3,124.00	3,325.00	3,430.00	3,351.00	3,416.00	3,611.00
138.00	138.00	138.00	138.00	138.00	138.00	138.00
56.00	56.00	56.00	56.00	56.00	56.00	56.00
5,997.00	5,997.00	5,997.00	6,129.00	6,129.00	6,130.00	6,130.00